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# An economic appraisal of public revenues and expenditures in Lincoln Parish, Louisiana

Ernest Carl Jones

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# **AN ECONOMIC APPRAISAL OF PUBLIC REVENUES AND EXPENDITURES**

**In Lincoln Parish, Louisiana**

**E. Carl Jones  
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Department of Agricultural Economics  
and Agribusiness  
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## Foreword

Although this report presents specific data concerning the fiscal activities of Lincoln Parish, the findings in terms of structure, functions, problems, and future outlook, are applicable to more than half of the parishes in Louisiana.

Lincoln Parish, located in the north central part of the state, is predominantly rural; row-crop farming is fading into the background; there is a trend toward greater forest development; and the population growth seems to be limited to the urbanized area around the parish seat. These economic characteristics generally describe other hill-farm parishes of North Louisiana, as well as most of the Florida parishes in the southeast, and the flatwoods sections in the southwest.

Furthermore, all rural parishes have similar governmental organizations in accordance with the state constitution; hence, the sources of revenues and their expenditures will follow much the same pattern as that discussed for Lincoln Parish.

## Acknowledgment

The authors are grateful to the many public officials who willingly provided the information and data needed to carry out this project. Among those giving special encouragement and assistance were Mr. Morelle Emmons, Lincoln Parish Superintendent of Schools; Mr. Eddie Evans, Lincoln Parish Manager and Engineer; Mr. Charles Hightower, Lincoln Parish Assessor; and Mr. J. B. Lancaster, State Supervisor of Public Funds.

Appreciation is also expressed to personnel in the School of Business Administration at Louisiana Polytechnic Institute for their helpful suggestions, especially Dr. Howard Balsley, Head, Department of Business and Economic Research, and Dr. Irol Balsley, Professor of Office Administration. Special thanks are due Dr. Leo Polopolus, Department of Agricultural Economics and Agribusiness at Louisiana State University, for reviewing the manuscript.

# **An Economic Appraisal Of Public Revenues and Expenditures In Lincoln Parish, Louisiana**

E. CARL JONES AND F. L. CORTY\*

## **Introduction**

Demands for public services increase and expand with each succeeding generation. The affluent society of today demands better schools, better roads, better protection of health and welfare, and greater opportunities for recreation and use of leisure time than any before it.

Obtaining funds necessary to provide the desired services is a disturbing problem facing public administrators. Historically, the general property tax served as a substantial source of revenue. Today, it plays a somewhat lesser role. Supplementary funds are derived from many other sources; for example, the income tax, severance tax, sales tax, gasoline tax, and numerous use taxes. But these supplementary taxes are collected and distributed by higher levels of government and bear the stamp of these more powerful agencies. As communities place less reliance upon property tax revenues and more upon revenues provided through state and federal aid, they lose an increasing share of their autonomy and submit themselves to greater control by state and federal governments.

The sources and needs for public funds in typical rural communities will vary from those for urbanized communities but in both instances there appears to be a trend for increased financial support from state and federal governments. In rural areas this trend is accelerated by technological changes that are displacing rural people. As land is taken out of agriculture and put into forest use it becomes a lower class use and the tax base is reduced. On the other hand, as land is taken out of agriculture and used for residential or industrial development the tax base increases.

In the hill-farm area of Louisiana there has been an apparent decline in agriculture. Rural populations are being lost to urban areas and the swelling urban populations are expressing an ever-increasing demand for public services.

Lincoln Parish, the unit of government being examined in this study, experienced a population increase of only about 3,000 in the

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decade 1950-60. Virtually all of this increase, however, accrued to Ruston, the parish seat. More impressive changes occurred in the rural areas. The percentage of land area in farms declined from a peak of 83 percent in 1940 to 39 percent in 1960. Likewise, the number of farms declined from about 3,000 to about 800 respectively, and harvested cropland reduced to one-twelfth the acreage reported 20 years ago. In light of these changes, one would expect a decreasing demand for rural services and an increasing demand for urban services. Appropriate adjustments in the sources of revenue would also be necessary.

## Objectives of the Study

This study examines the past and present sources of revenue of the Lincoln Parish governing bodies to determine the adequacy of existing revenues to meet future demands of the parish government. Pertinent questions which arise are: How much does it cost to operate a rural parish? What are the costs for the various functions performed? What are the sources of revenue? How self supporting is a rural parish? Is the parish gradually losing its autonomy and becoming a charge of the state? What has happened to the property tax base? What adjustments have occurred in the sources and expenditures of public funds?

More specifically the objectives are:

1. To identify all the sources of revenue and relate each to the public services they provide.
2. To determine the effect of changes in land use on property tax revenues in Lincoln Parish.
3. To determine the extent of local autonomy or degree of reliance upon state and federal aid in support of parish government functions.
4. To analyze items of revenue and expenditures as to trend over a period of years and make projections as to future needs.
5. To analyze the effect of change in age groups of the population upon revenue needs of Lincoln Parish.
6. To evaluate existing revenue-expenditure relationships and make recommendations that may promote sound fiscal policy for parish government in the future.

## Sources of Data

Sources of revenue available to parish governments were determined from a review of portions of the constitution of Louisiana dealing with local government organization and finance, the Louisiana Revised Statutes of 1950, the ordinances of the parish police jury, the ordinances of the parish school board, and the many amendments thereto, including opinions of the attorney general in some controversial areas.

Audited reports of the Lincoln Parish Police Jury, School Board, Clerk of Court, Tax Assessor, and Sheriff were made available by the state supervisor of public funds and the parish manager.

Financial statements of the police jury and school board, along with reports from the Louisiana Tax Commission and the collector of revenue

were obtained through these respective offices. Various members of the police jury and school board and other public officials were interviewed to determine the status of the several funds maintained by agencies of the parish government.

The tax assessor provided much information concerning assessment procedures and made assessment rolls available for examination. Additional assessment data on land classification and land values were derived from reports of the Louisiana Tax Commission.

Land and population statistics were obtained from reports published by the Bureau of the Census, United States Department of Commerce.

## Historical Development

The Louisiana constitution and statutory laws provide for the organization of governing bodies within a parish. Some of these bodies are specifically required by the constitution; others are the product of local organization.

The United States Department of Commerce, Bureau of the Census, in its census of governments for 1957, lists a total of seven distinct governmental units in Lincoln Parish: the central parish government called the police jury, the parish school board, and five municipalities.<sup>1</sup> For revenue purposes there are eight other units not included in the Bureau of the Census listing: seven school districts and one recreational district. These are adjuncts of the school district and parish government and are therefore administered by the school board and police jury, respectively.

### Creation of Parish Offices and Police Jury

The first legislative council at its meeting on December 4, 1804, divided the Orleans Territory into 12 geographical districts and called them "counties," as in the other states. The act also created the offices of county judge, justices of peace, sheriff, coroner, clerk, and treasurer for each county. However, as confusion arose over the term "county" because of the acquaintance of the inhabitants with the church parish as a geographical area of administration of civil law, the legislature and the governor, by legal act approved March 31, 1807, redivided the territory geographically into 19 areas which were redesignated "parishes."<sup>2</sup> The boundaries of these were based mostly on those of the original 21 ecclesiastical parishes established by the Spanish in 1769. This act, while creating the parish as the basic local government area for court purposes, did not abolish the county. Section 32 reads: "That the division of the territory into counties shall subsist for the purpose of making the election of the representatives of the territory, and levying

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<sup>1</sup>U. S. Bureau of the Census, *1957 Census of Governments*, I (1959), p. 20.

<sup>2</sup>Calhoun, Robert Dabney, *The Origin and Early Development of County-Parish Government in Louisiana (1805-1845)*, (Reprinted from "The Louisiana Historical Quarterly", 1934).



the territorial taxes.”<sup>3</sup> All county offices established by the 1804 act were abolished. The parishes were divided into five superior court districts, with a sheriff and a clerk appointed to each.

During the approximately two-year existence of the 12 counties, they had been governed by county judges as chief administrative officers with taxing powers, assisted by the justices of peace and the other officers mentioned in the 1804 act, all appointed by the governor.

The 19 parishes were at first governed in a similar manner, except that a parish judge assumed the duties of the county judge and all other officers, until April 6, 1807, at which time the parish judge was authorized to appoint “a jury of twelve inhabitants” to serve with him and the justices of peace. This group, which later came to be called the “police assembly,” was charged with the responsibility for “execution of whatever concerns the interior and local police and administration of their parish,” included the raising of funds. On March 16, 1810, an act was passed creating the office of sheriff for each parish alongside the five district court sheriffs and providing for his compensation from the “police assembly of the parish.” This was the first designation of the body composed of the parish judge and the 12 citizens as a “police assembly.”

A legislative act of April 30, 1811, made members of the police assembly elective and designated the body officially for the first time as a “police jury,” although the term was first used in an act of March 6 of that year, creating the town of Vidalia. Powers of the judge were reduced; he remained as ex-officio member of the jury. A state constitution was framed incorporating this system of government for local parishes and Louisiana became a state in 1812. Legislation of 1824 eliminated justices of the peace from the jury and in 1830 judges were excluded from membership. County designations continued to appear in official documents, in some cases representing two or more parishes, until all reference to counties was dropped in the Constitution of 1845.

On March 25, 1813, two years after the adoption of the term “police jury,” the legislature adopted legislation setting forth organization and powers of the jury and providing for the creation of subordinate geographical areas within parishes to be called “wards” for securing equal representation on the jury from all parts of the parish. It provided for the election of citizens from these wards to serve on the police juries without compensation and under penalty of fine for nonattendance at meetings. In subsequent years, as new parishes were created, police juries were given added powers by the legislature and compensation was provided for the members, but the penalty for nonattendance was retained in present law. These and later statutes relating to the establishment of parishes and wards within a parish were consolidated in 1950 into the Louisiana Revised Statutes of 1950, Title 33.

Accordingly, the police jury of a parish is permitted to redistrict the parish into not less than five nor more than twelve “police jury

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<sup>3</sup>*Ibid.*, p. 34.

wards" by a two-thirds record vote of the jury, which decides the ward boundaries at will. Thereafter, one police juror is elected by the voters from each ward of the parish at a general state election for a term of four years.<sup>4</sup>

In addition, when a parish has a population between 50,000 and 175,000, and a ward has more than 7,500 inhabitants, it may elect another juror for each 10,000 inhabitants or part thereof in excess of 7,500.<sup>5</sup> No additional juror is authorized for population in excess of 175,000 in the parish. In parishes having a population of less than 50,000, an additional police juror is elected for each additional 5,000 persons in a ward or part thereof in excess of 2,500. For example, assume that a parish has a population of 45,000 at the latest census count, 17,500 of whom live in Ward 1 of the parish. Ward 1 is entitled to one police juror as a ward, one additional juror for the first 5,000 in excess of 2,500 persons, another for the next 5,000, and one other for the next and last 5,000 persons, for a total of four jurors on the police jury for the parish, all of whom must be residents of Ward 1.

## Creation of the Parish School Board

Police juries were authorized in 1821 to levy a tax for educational purposes. The tax could not be more than one thousand dollars in each parish. The police jury had to account to school trustees for all funds collected by the tax. Other funds received from the state by the trustees were subject to review by a grand jury.

In 1827 the legislature authorized police juries to appoint a five-member board of administrators for the general administration of the schools in each parish.<sup>6</sup> The board of a parish, after choosing its own officers, annually appointed three heads of families in each ward as trustees of schools in that ward. The board was responsible for apportioning state funds among the various wards. Each school could have not more than 100 free students each session; others were required to pay tuition for the financial support of the school.

The Louisiana Constitution of 1845 provided for a system of public schools throughout the state and in 1847 the position of parish superintendent was created by the legislature. He was to be elected for a two-year term and was to act as parish treasurer for school funds. General supervisory power over the parish school system was placed in his hands.

Working in cooperation with the police jury, the superintendent was authorized to lay out school districts, and three school directors were to be elected each year for each district. These directors assumed the powers of the former ward school trustees.

For additional finances to support the school system, the state levied

<sup>4</sup>Title 33, Section 1233, Revised Statutes of 1950.

<sup>5</sup>Title 33, Section 1233, Revised Statutes of 1950.

<sup>6</sup>Carleton, R. L., *Local Government and Administration in Louisiana*, Baton Rouge, Louisiana State University Press, 1935, p. 59.

a general property tax of one mill per dollar of assessed valuation of all taxable property. Proceeds from this tax were prorated among the parishes.

The duties of the parish superintendent were delegated to the parish treasurer in 1856 and the police jury of a parish was given the authority to set the qualifications of teachers. The board of directors of each school district was given corporate powers. When additional money was needed for the support of the school system in addition to that received from the state and parish, such amount could be raised by a property tax levied within the district. However, no tax could be levied for the building of a schoolhouse in any district without the consent of a majority of the qualified voters of the district.<sup>7</sup>

In 1870 the state was divided geographically into six educational divisions. Upon nomination by the state superintendent of education, a superintendent of each of these divisions was appointed by the governor. A board of directors consisting of three to five members for each of the divisions was appointed by the State Board of Education. The office of parish superintendent was subsequently abolished, and a board of parish directors, consisting of five or more members, was appointed for each parish by the State Board of Education. This created a situation in which there were both division and parish boards of directors for the school system. Members of these boards held office for two years.

To finance the school system, police juries were authorized to levy an annual tax of not more than two mills per dollar of assessed value of property to be apportioned among the school districts of the parishes according to the number of educable school children in each district. Each school district within a parish was governed by a board of three appointed directors. Voters of a school district could vote a school tax, not to exceed 10 mills per dollar on all taxable property in the district.

Following the Civil War, the acts of 1870 brought such sweeping changes in the public education system of Louisiana that "the whole school system of the state assumed the form of a gigantic pyramid with the governor at the apex."<sup>8</sup> A State Board of Education was established to prepare general rules and regulations for the schools in the state and to provide necessary supervision. Parish boards were called upon to enforce these regulations and to provide for a major portion of school financing. The structure of the present educational system in Louisiana is the result of this pattern of development.

The Constitution of 1921 authorizes the legislature to confer upon a State Board of Education, consisting of 11 members elected by the voters of eight congressional districts and three public service commission districts, authority to supervise and control all free public schools of the state except Louisiana State University. This board has as its secretary and executive officer the state superintendent of education, who is elected each four years at the general state election.

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<sup>7</sup>*Louisiana Revised Statutes of 1856*, pp. 190-195.

<sup>8</sup>Carleton, R. L., *op. cit.*, p. 59.

School funds appropriated by the state legislature are distributed to the parishes through the state superintendent and State Board of Education. Parish school boards receive funds from the state board to carry out the school functions in each parish, subject to the general supervision of the state superintendent of education.

## **Lincoln Parish Governing Agencies and Their Functions**

Lincoln Parish was created by Act 32 of the Legislature of 1873 from portions of the parishes of Bienville, Claiborne, Jackson, and Union. Four years later, a part of the new parish was annexed to Jackson Parish on the south by Act 29 of 1877. In 1904 a portion of Jackson Parish was returned to Lincoln Parish by Act 97, extending its boundaries to the present limits. The parish was then divided into eight wards. There is no central government for a ward analagous to that of a police jury for the parish.

### **The Parish Police Jury**

The central parish governing body consists of 11 police jurors, elected by wards. The 1962 population of the wards is such that seven of them are represented by one juror each, while Ward 1, containing the parish seat of Ruston, has four members on the jury. The body is responsible for road construction and maintenance, health and sanitation ordinances, construction and operation of a courthouse, establishment of polling places for elections, and other civil duties delegated to a jury by the state legislature.

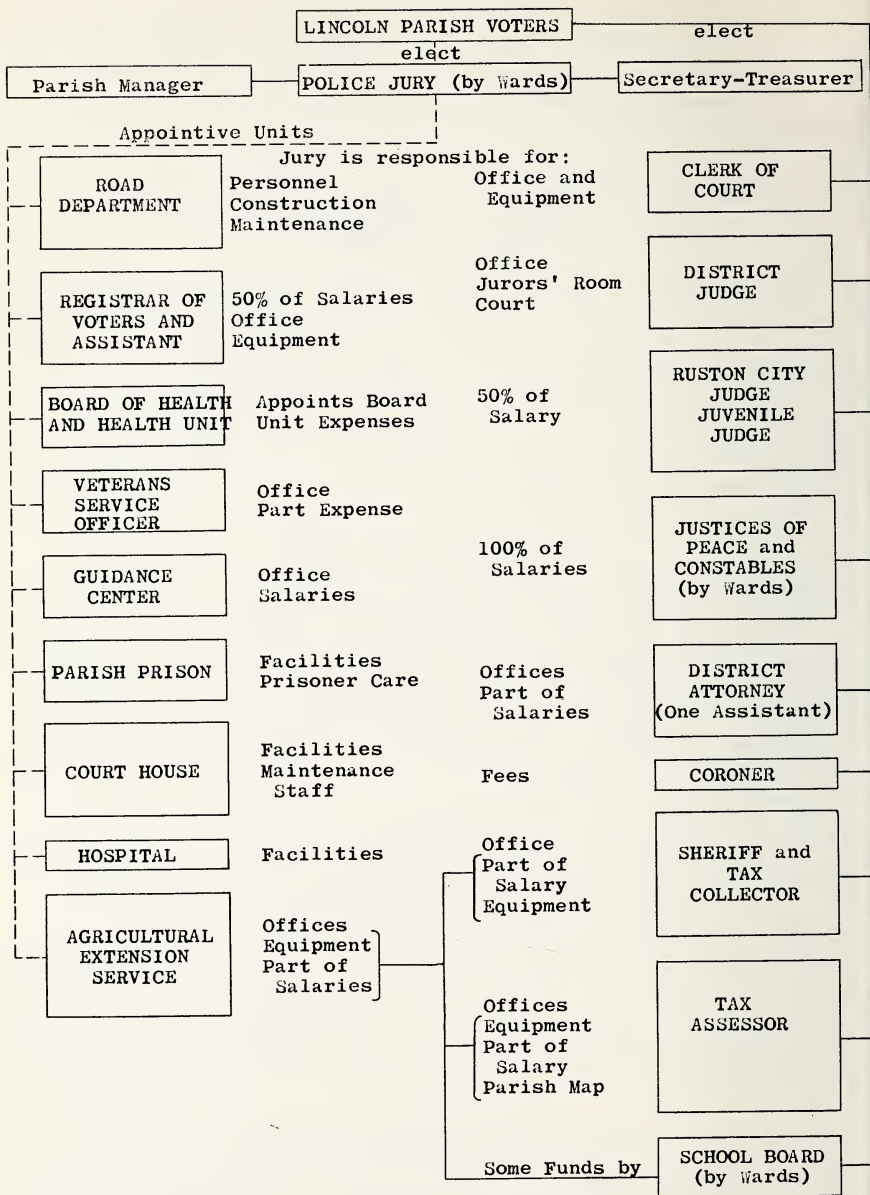
The jury elects a permanent secretary whose office can also be combined with that of the parish treasurer, who must be elected by the jury every two years. The Lincoln Parish body has combined these two offices, paying one person to serve in both capacities.

Regular meetings of the police jury are held by legislative decree on the second Tuesday of each month. This central parish governing body has the authority to incur bonded indebtedness and to levy taxes and to require business licenses, special assessments, and fees, with some limitations by the state, for financial support of the services rendered to its citizens.

### **The Parish School Board**

In accordance with provisions of Title 17 of Revised Statutes of 1950, a parish school board can be composed of from five to sixteen members, one for each member of the police jury. Each is elected for a term of six years at congressional elections. One-third of the board must be elected every two years. If a parish has a municipality with a population exceeding one-half of the population of the parish, this municipality has representation on the board proportionate to its population. The Lincoln Parish School Board consists of 11 members from the eight





**Organizational Chart for Lincoln Parish Governing Agencies**

wards, according to these provisions, since the parish has 11 police jurors. It is an independent unit of government, entirely separate from the police jury, but cooperating with it on many matters of policy and law pertaining to the interests of the citizens of the parish. The board members meet once each month in regular session, and occasionally by special call of the president after due notice as required by law. They elect from among themselves a president and a vice-president for a term of not more than six years. Section 56 of Title 17 provides that each board member receive compensation of \$30 per day for attendance at the monthly meeting, plus 10 cents per mile travel pay from his home to the meeting place and return. When a member acts in an official capacity as a committee member for the board, he may receive \$30 per diem for one extra day per month unless his committee work falls on the same day as the board meeting.

The parish superintendent of schools is chosen and paid by the board; he also acts as ex-officio secretary of the board and keeps it informed as to needs and progress of the school system of the parish, as well as instructions and regulations from the state superintendent of education. The board also hires two parish supervisors of schools—one white and one Negro—to assist the superintendent, a visiting teacher for the parish, and the corps of teachers, administrators, bus drivers, and maintenance personnel of the various schools in the parish.

Like the police jury, but acting as an independent unit of government, the school board is authorized to levy taxes and incur bonded indebtedness (subject to limitations imposed by the state) for the purpose of conducting the school system within the parish. Louisiana statutes also permit the school board to establish various kinds of subordinate areas or bodies for local school finance and administration, such as junior college districts, local school districts, consolidated school districts, and a parish-wide school district. Each of these areas is an adjunct of the school board and has no other separate governing unit; however, the board's tax and debt authority limitations on a parish-wide basis can be duplicated for any one of the special districts created. For example, suppose the board levies a tax at the legal maximum rate of five mills parish-wide for general school maintenance. It can create a school district in a portion of the parish and levy the same millage again within that district, for a total of 10 mills therein. While these are two legally separate areas for revenue purposes, both are administered by the same board, and the same property owners pay both taxes, to the extent that their property lies in both districts.

### **Municipalities**

The third element of local government in Louisiana, in addition to the police jury and school board, is the municipal government, commonly referred to as city or town government. There are five municipal governments in Lincoln Parish; namely, Ruston, Dubach, Choudrant, Simsboro, and Grambling. Each is administered by a town or city coun-



cil, the members of which are elected for four-year terms by the voters living within the respective municipality. Each of these governing bodies is authorized by the state legislature, with constitutional authority, to provide for the raising of revenue in support of its functions. Revenue sources permitted are general property taxes, special assessments, business licenses, fees and fines, and public utilities.

Property taxes for general fund purposes of municipalities are limited to seven mills per dollar of assessed value of property within the boundaries of the town or city by Article 14, Section 12, of the Constitution of 1921, compared with the maximum rate of four mills for parish governments fixed by Section 11. Exceptions to this rate are found in the city of New Orleans, and cities of 75,000 or more, which can levy a special tax of one mill for the support of a three-platoon police department.

Residents of municipalities are also governed by the ordinances and regulations of parish government, except in a few instances where municipal residents are exempt from their application by state law and in cases where the parish government voluntarily exempts them from being subject to its actions because the town or city has ordinances similar to those of the parish. In Lincoln Parish, municipal property owners in the city of Ruston are exempt by state law from one-half of the four mills parish general property tax since the city builds and maintains its own streets and roads.

## **Other Agencies or Offices**

In addition to these major governmental units, there are offices and agencies which are partially controlled by the parish government and some which independently carry out governmental functions but do not have legislative and taxing power as do the police jury and school board. Following is a list and a brief description of each. (Also see organizational chart, page 12).

### **Clerk of District Court**

Article 7, Section 66, of the Constitution of 1921 provides for one clerk of district court in each parish, to be elected by the parish voters each four years at the time of the gubernatorial election. Legislation effecting this provision and specifying powers and compensation is given in Revised Statutes of 1950, Title 13. The clerk's salary is fixed by the state legislature but is paid from a fund provided by fees charged for services rendered by his office; these fees are fixed by Revised Statutes 13.781 et. seq.

Article 7, Section 67, of the constitution stipulates that clerks may appoint deputies with the approval of district judges. The salaries of these, as well as expenses of the office except for equipment, are paid from the fund accumulated through service fees. The parish police jury furnishes office quarters in the courthouse and provides office equipment, such as legal forms, bindings for legal documents, and storage

cabinets for public records. Any surplus in the salary fund at the close of a term of district court in excess of one-third of the past year's revenue is remitted to the police jury, as required by Revised Statutes 13:785. The clerk may convene the police jury into session whenever the office of president of the jury is vacant. This is the relationship which the parish governing body holds to the office of clerk of district court.

### **Judges, Courts and District Attorneys**

Article 7, Sections 31-35, of the Constitution of 1921 authorizes the legislature to divide the state into judicial districts and arrange for election and compensation of judges for same. The parishes of Lincoln and Union comprise the Third Judicial District with one judge who is elected by the qualified voters of the district each six years. His basic salary of \$5,000 per year, payable monthly on his own warrant, is paid by the state from its general fund. However, the parish police jury is required by law to provide a suitable courthouse with sufficient rooms for jurors, witnesses, and for the district judge to preside over court cases during his circuit in the parish. It must also pay for attendance of grand jurors, petit jurors, witnesses, and clerk of court costs. The provision and maintenance of a jail to house prisoners, as well as the care of them, are further obligations of the parish government.

Section 51 of Article 7 permits the legislature to abolish justice of peace courts (described below) in wards embracing a parish seat, or containing cities of more than 5,000 inhabitants, and to create in their place a new city court to have civil jurisdiction over certain types of cases. This was done for Ward 1, containing the city of Ruston. Compensation for the judge of the city court in this instance is fixed by the legislature but is paid one-half by the city of Ruston and one-half by Lincoln Parish in accord with provisions of the law establishing the court. The parish's share of this expense is \$6,000 per year. The judge is elected each six years. This court also serves as juvenile court for the ward in accordance with the provision of Section 52 of Article 7. Extra compensation of \$1,200 per year for the judge is provided by the state for this function.

One district attorney for each judicial district in the state is afforded by Article 7, Section 58, of the constitution, and by the Revised Statutes of 1950, Title 16. He is elected for a term of six years at the same time as the district judge. His salary is fixed by the state legislature, as well as the proportion of it which is to be paid by each parish in the district. In addition, he receives \$5,000 per year from the state. An expense allowance of \$5,000 per year for clerks and assistants, supplies and travel expense is granted to the district attorney by the state; any expense in excess of this amount must be borne by the parish police juries.

### **Justices of Peace and Constables**

Sections 46-48 of Article 7 of the constitution provide for the division of a parish into justice of the peace wards by the police jury and

for the election of one justice of peace in each ward at the general state election every four years. Section 49 permits the election of one constable for each justice of peace court at the same time. Section 50 requires that justices of peace and constables shall receive fees as fixed by the legislature for their services in civil cases, but in lieu of fees in criminal and peace-bond cases they shall be paid a salary to be fixed and paid by the police jury in proportion to the amount of work or business done. There are seven justices of peace and seven constables in Lincoln Parish. Much of the work of a justice of peace centers around the performance of marriages and the exercise of notary public functions. A constable serves as a ward policeman.

### **Coroner**

Article 7, Section 70, and Revised Statutes of 1950, Title 33, provide for the election of a coroner for a parish by the electors at the general state election for a term of four years. He must be a doctor of medicine and be licensed to practice in the state. He is essentially the parish physician. He must investigate and certify the death of a person when a physician was not in attendance prior to or at time of death. The constitution requires that he shall act for and in place of the sheriff whenever the latter is an interested party to a legal dispute and when his office is vacated, except that a coroner cannot act as tax collector. The police jury provides compensation for his office as coroner, and fees as fixed by the legislature are charged for his services.

### **Sheriff**

The office of sheriff in each parish in Louisiana is created by authority granted in Article 7, Section 65, of the Constitution of 1921. Sections 73 and 74 provide for compensation for same. This authority is made effective by Revised Statutes of 1950, Title 33, Sections 1421-1423. The sheriff is the chief law enforcement officer for the parish, enforcing the parish ordinances and the laws of the state within the parish. In addition, the constitution provides that "... the sheriff, except in the Parish of Orleans, shall be ex-officio collector of state, parish, and all other taxes, except municipal taxes, which, however, under legislative authority he may also collect." He is elected each four years by the parish voters. He may appoint deputies to assist in law enforcement, as well as a deputy tax collector.

Act 447 of 1958 fixed the Lincoln Parish sheriff's salary at \$9,000 per year. The legislative session of 1960 raised the salary to \$10,200. To provide a fund for his compensation and other expenses of the sheriff's office, the sheriff is permitted to collect fees in civil, criminal, and other matters of law and to deduct a commission from all taxes he collects. A minimum of \$1,000 must be maintained in the salary fund from these sources. Revised Statutes of 1950, Title 33, as amended by Act 446 of 1958, sets the commission from tax collections for the Lincoln Parish sheriff at "ten per cent of the first \$450,000 and six per cent of all amounts over \$450,000 of aggregate taxes shown to be col-



lectible by the tax rolls: all state, parish, school, levee, and other taxes and licenses, including all special taxes, except the Confederate veterans tax, including hunting and fishing licenses collected by him and actually paid by him into the state and parish treasury or to the authority designated by law to receive the same."

The parish police jury provides office quarters in the courthouse for the sheriff and maintains a jail and prison facilities. The jury may provide equipment for the sheriff, but this is usually provided from the salary and expense fund. This is the only relationship that the parish government holds to the office of the parish sheriff.

### **Tax Assessor**

Title 47, Section 1901, of the Revised Statutes of 1950, originally passed by the legislature of 1906, provides for the election of a tax assessor in each parish except Orleans at the general state election to be held every four years. Constitutional authority for this is Article 14, Section 9. His term of office dates from and after the 31st day of December of the year in which he is elected.

The duty of the tax assessor is to enumerate, list, and assess property for tax purposes as directed by property taxation laws of the state. After preparing the tax rolls each year, showing valuations and assessments made, he must present them to the Louisiana Tax Commission and to the police jury within the time and manner prescribed by the laws regulating the assessment and review of assessment of property. He has no authority to collect the taxes. The assessor may hire as many deputies as he may require. Two are employed by the Lincoln Parish assessor (1960). He may use these deputies in the actual work of assessing the property or preparing the tax rolls, but the assessor remains responsible officially for any acts performed by them.

The salary of the assessor and an allowance for office expense are fixed by the state legislature. Act 99 of 1960 placed the salary of the Lincoln assessor at \$9,600 per year. In order to provide a fund from which his salary and expenses of his office are paid, the parish governing authority and the parish school board advance to him a sum in the beginning of each year sufficient to cover these expenses. Whenever the assessor has completed his assessment roll and filed it with the Louisiana Tax Commission, and upon the final acceptance of the assessment roll, the treasurer of the state of Louisiana, the treasurer of the city of Ruston, and the Louisiana Forestry Commission, all receiving property taxes from Lincoln Parish, pay to the assessor for the salary and expense fund an amount proportionate to the share of taxes received by each. The assessor refunds the portion of the police jury and school board advancement that is in excess of their shares of assessment cost. Thus, in the final analysis, the burden of the salary and expenses of the tax assessor does not fall entirely on the parish government. It is required to furnish office space and equipment for the tax assessor, such as binders for the permanent tax records and office

machines. However, in practice most equipment is purchased from the assessor's expense fund. The police jury also serves as reviewing body in case of complaints arising from property owners regarding the assessment and valuation placed on their property by the assessor. The police jury and school board are required to furnish a map of the parish on which all taxable property can be identified.

Act 170 of the legislature of 1898 provides that the governor may remove the assessor from office at any time for negligence, inefficiency, incompetency, malfeasance, or any cause which he may consider sufficiently grave.

### **Registrar of Voters**

The office of registrar of voters is authorized by Article 8, Section 18, of the Constitution of 1921 and was created by legislation incorporated as Title 18 of the Revised Statutes of 1950. The registrar is an officer of the parish who is appointed by the police jury, subject to approval by the governor of the state. The governor may remove the registrar for reasons of negligence in the administration of his duties.

The salary of a registrar of voters is fixed by the legislature in Section 5 of Title 18 according to the population of the parish at the latest United States decennial census or as determined otherwise by the police jury. Act 246 of 1960, Section 1, amended the salary schedule to make it \$5,950 per year for a registrar of voters when the population of a parish is 20,001 to 30,000. This is the salary of the Lincoln Parish registrar since the parish had a population count of 25,782 in 1950. One-half of the salary is paid by the police jury and one-half from the state general fund. Act 558 of 1960 permits the police jury to pay the registrar a supplementary amount up to \$2,500 per year. In addition to paying one-half of the salary, the police jury must furnish facilities for the registrar.

Section 6 of Title 18 provides for one deputy registrar for Lincoln Parish at a salary of \$2,400 per year, one-half of which is paid by the parish and one-half by the state (Act 77 of 1959). The deputy is appointed by the registrar.

A registrar may employ additional clerical help in emergencies upon approval by the police jury, which must pay for it, or the governor may appoint extra help out of his funds for law enforcement.

The duty of the registrar is to conduct the registration of citizens for voting and prepare a qualified list of voters for each local, state, and national election in accord with voter registration laws of the state. His office is closed to prospective registrants 30 days before each election, during which time the qualified list of voters is prepared.

### **Board of Health and Health Unit**

Article 6, Section 11, of the constitution requires the legislature to create a board of health for each parish to be subordinate to the State Board of Health. This board now exists for Lincoln Parish and serves without compensation. In cooperation with the State Board of Health,

the parish provides an annual sum for the maintenance, operation and staffing of a parish health center facility. This agency offers medical aid to the general public of the parish in certain circumstances such as epidemics, publicly promoted inoculations, birth registrations, and the like. A doctor, known as the parish health officer, is hired as head officer of the unit. He is assisted by nurses and aides.

### **Veterans' Service Officer**

The legislature, through the Department of Veterans Affairs, has made provision for the maintenance of a contact officer for veterans of United States military service at the parish seat of government. To maintain the office with one employee as service officer, the Lincoln Parish Police Jury furnishes quarters in the courthouse and some financial aid.

### **Guidance Center**

The police jury of Lincoln Parish has established an office in the courthouse known as a guidance center where citizens may consult with a physician dealing with problems of mental health.

### **Agricultural Extension Service Offices**

As in all other parishes in Louisiana, Lincoln Parish enjoys the services of an agricultural agent and a home demonstration agent, with their assistants. The Agricultural Extension Service of Louisiana State University, in cooperation with the United States Department of Agriculture, employs and supervises these agents. The act of Congress which established these services sought to encourage local support for the program. Accordingly, the parish police jury and the parish school board over the years have contributed funds to pay a portion of the salary of each agent. No fixed sum is required by law. In the past there have been years when one or the other has seen fit to reduce its contribution because of financial shortages. In recent years, however, the annual amount allocated to the Extension Service has remained the same. These funds are paid directly to the agents as a part of their total annual salary. Each year the police jury and school board report to the extension service the amounts paid to the agents. In addition, the police jury provides telephone service and office space in the courthouse. The jury and school board must approve the appointment of agricultural agents and subsequently requires from them periodic reports of their work.

### **Department of Public Welfare**

The Louisiana Department of Public Welfare maintains an office in Lincoln Parish for the administration of federal-state welfare funds within the parish. The police jury supplies office quarters in the courthouse for this office. Beginning in 1960, the Department of Public Welfare contributes \$200 per month to the upkeep of the courthouse, in lieu of rent. There is at present no other financial or administrative relationship of the parish government to the public welfare office.



# Sources of Revenue and Expenditures at the Various Levels of Parish Government

A summary of all sources of revenue legally available to the parish governing bodies and the extent to which these were utilized in 1959 are discussed in this section. Since the fiscal system of Lincoln Parish is concerned with five separate governmental agencies, the revenue-expenditure activity of each one is considered separately. First among these agencies is the police jury.

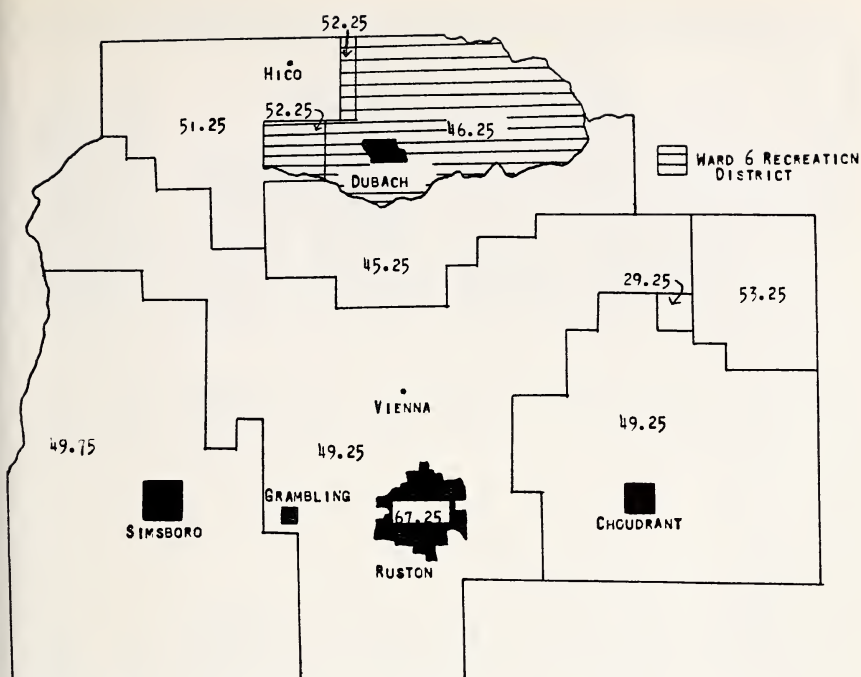
## Police Jury Revenue

Income for all functions of the Lincoln Parish Police Jury, in 1959, was in excess of a half-million dollars. This is summarized in Table 1. Ad valorem property taxes accounted for \$276,511, or 48 percent of all police jury revenues. Other important sources of revenue, in order of magnitude, were: (1) the gasoline tax; (2) the severance tax; and (3) state grants-in-aid for highways.

An insight into the revenue-expenditure structure of the Lincoln Parish Police Jury is acquired from a detailed examination of the data relevant to these matters. Consider first the sources of revenue employed by the parish government as indicated in Table 2 and explained in greater detail in subsequent paragraphs.

**TABLE 1.—Summary of Lincoln Parish Police Jury Revenues, 1959**

Property taxes:	
General alimony 2 and 4 mills tax .....	\$ 50,470.74
Road maintenance 5 mills tax .....	81,010.60
Road construction 5 mills tax .....	81,016.46
Ward 6 Recreation District 1 mill tax .....	1,209.65
Total ad valorem, except for bonds .....	\$213,707.45
Revenue from bond taxes <sup>a</sup> .....	62,804.29
Total all ad valorem taxes .....	\$276,511.74
Gasoline tax .....	\$106,444.51
Severance tax .....	94,840.96
Business licenses .....	1,175.00
Fees, fines and forfeitures .....	14,251.89
Department of Highways grants .....	40,000.00
Appropriations of legislature .....	30,000.00
Miscellaneous receipts .....	12,187.17
Total revenue, all sources .....	\$575,411.27
Ad valorem taxes as per cent of total revenues .....	48%
<sup>a</sup> Bond tax revenue:	
Courthouse 2 mills tax .....	\$ 37,316.87
Hospital 4 mills tax .....	25,487.42
Total bond tax revenue .....	\$ 62,804.29



**FIGURE 1.—Map of Lincoln Parish, La., showing property tax rates in 1959 and 1960 by tax districts. Tax rate is in mills per dollar of assessed value of property and includes the state tax rate of 5.75 mills throughout the parish.**

### Ad Valorem Property Taxes

**General Alimony Tax.**—The “general alimony” tax is an ad valorem tax levied against personal and real property for general governmental purposes.<sup>9</sup> The procedure for levying the ad valorem tax is spelled out by the legislature. The tax assessor of the parish and the Louisiana Tax Commission list all nonexempt personal and real property in the parish, then place an assessed value on each property. A tax rate, known as number of mills per dollar of assessed value, is determined by the police jury according to the amount of revenue required. But the millage rate must still conform with legal limitations.

The sheriff collects the tax when it becomes due at the close of a calendar year. Section 1 of Article 10 of the constitution states:

The valuation and classification (of property) fixed for State purposes shall be the valuation and classification for local purposes; but the taxing authorities of the local subdivision may adopt a different percentage of such valuation for purposes of local taxation.

<sup>9</sup>Louisiana Constitution of 1921, Article 10, Sections 1 and 5, and Article 14, Section 11; Revised Statutes of 1950, Title 47.

TABLE 2.—Sources of Revenue Utilized by Lincoln Parish Governmental Agencies Showing Legal Limitations, Current Amount Levied, Amount Collected in a Year, and Function for which the Revenue Was Spent

Revenue Source	Legal Limitation	Current Rate, 1959	1959 Income <sup>c</sup>	Distribution
I. Property Taxes:				
A. Police jury				
1. General alimony tax	4 mills; no vote required	2 mills in Ruston; 4 mills outside 5 mills	\$ 50,471	General government
2. Road construction tax	5 mills, maximum 10 years, vote required, renewable	5 mills	81,016	Construction and improvement of roads
3. Road maintenance tax	5 mills, maximum 10 years, vote required, renewable	5 mills	81,011	Maintenance of roads and bridges
4. Recreation district tax	5 mills, maximum 10 years, vote required, renewable	1 mill	1,210	Maintenance and operation of recreation center in Ward 6
5. Acreage tax, timber lands	2 cents per acre, no vote required	2 cents per acre	(2,818 <sup>a</sup> )	Louisiana Forestry Commission for forest protection from fire
6. Acreage tax, timber lands	50 cents per acre, vote required	None	None	Fund into bonds for additional aid to public schools or public improvements
7. Courthouse bonds tax	Vote required (d)	2 mills	37,317	Interest and redemption of bonds
8. Hospital bonds tax	Vote required (d)	4 mills	25,487 <sup>b</sup>	Interest and redemption of bonds
B. School board				
1. Parish-wide constitutional tax	5 mills, no vote required	5 mills	96,234	Current operating expenses of schools
2. Parish-wide construction tax (additional support)	7 mills, maximum 10 years, vote required, renewable	5 mills	96,234	Repair and maintenance of school plant
3. Parish-wide maintenance tax (special repairs and equipment)	5 mills, maximum 10 years, vote required, renewable	2 mills	39,011	Maintenance or operating expense of school buildings
4. Parish-wide bond tax	Vote required (d)	7.5 mills	144,358	School construction
5. District 1, Ruston, bond tax	Election required (d)	4 mills	50,569	School construction
6. District 3, Simsboro, bond tax	Election required (d)	4.5 mills	6,422	School construction
7. District 6, Choudrant, bond tax	Election required (d)	4 mills	4,076	School construction
8. District 7, Hico, bond tax	Election required (d)	6 mills	4,934	School construction
9. District 24, Hopewell-Downsville, bond tax	Election required (d)	8 mills	1,246	School construction
II. Other Taxes:				
A. Gasoline (motor fuel) tax	Percent of 1 cent of state tax which equals amount of fuel sold in parish ÷ amount sold in state in previous calendar year	Same	106,445	Maintenance and improvement of roads and bridges, including maintenance of parish prisoners for road work
B. Severance tax	75% of state timber severance tax, plus 20% of other state severance taxes collected in parish up to \$200,000	Same	221,142 <sup>c</sup>	General governmental and current operating expense of schools

One-half road construction				
4. Grant of legislature	Determined annually by legislature	ment of Highways	30,000	Maintenance and improvement of roads and bridges, by consent of representative and senator
5. Miscellaneous, non-recurring	None	None	12,187	General government
B. School board	Based on proportion that no. of educable children in parish 6 to 18 years bears to total in state	State Board of Education	381,315	Current school operating expenses
1. State public school fund grants:	Determined annually by State Board of Education	State Board of Education	1,119,454	Current school operating expenses
a. Per educable fund	Determined annually by State Board of Education	State Board of Education	22,392	Current school operating expenses
b. Equalization fund	None	None	35,642	Vocational education; exceptional children's education; adult education; driver education
c. Supplemental distribution	Determined annually by legislature and State Board of Education; a portion to be paid by students	State Board of Education	213,640	Provision of hot lunches for school children
2. Other state and federal grants	Varied, depending on services; fixed by legislature	Varied, depending on services; fixed by legislature	31,096	Salaries and expenses of Clerk and employees
3. School lunch program funds	Percent that is equal to assessor's salary fund - total taxes assessed; salary fund fixed by legislature	Percent that is equal to assessor's salary fund - total taxes assessed; salary fund fixed by legislature	22,200	Salaries and expenses of Assessor and employees
C. Clerk of court's fees for services	10% of first \$450,000, plus 6% of excess	10% of first \$450,000, plus 6% of excess	80,381	Salaries and expenses of
D. Tax assessor's commissions on taxes	\$1,000 for each representative	\$1,000 for each representative	1,000	sheriff, deputies, and employees
E. Sheriff	Varied, depending on service; fixed by legislature	Varied, depending on service; fixed by legislature	4,206	
1. Commissions on taxes collected	Determined by police jury	Determined by police jury	1,337	For feeding prisoners
2. Allowance from state			\$3,057.460	
3. Fees for services				
4. Allowance from police jury				
IV. Total, Parish Agencies				

a1958 revenue. Levied but not used by parish government.  
bTax became effective for last half of year only.  
cAll school board and clerk of court revenue is for the fiscal year 1959-1960.  
dA district may borrow up to 25% in case of schools, otherwise 10% of assessed value of property in district, then levy taxes sufficient to cover annual principal and interest payments.  
e\$126,300 of which was for fiscal 1960 for school board.

The constitutional limitation on the rate of parish ad valorem taxation for *general purposes*, as set forth in Article 14, Section 11, is four mills per dollar of assessed value of property per year, except that "this limitation shall not apply to nor include any other tax."

**Road Maintenance Tax and Road Construction Tax.**—Authorization for these taxes states:

For the purpose of construction or improving public buildings, school houses, roads, bridges, levees, sewage, or drainage works or other works of permanent public improvement, title to which shall be in the public, or for the maintenance thereof, any political subdivision may levy taxes, in excess of the limitations otherwise fixed in this Constitution, not to exceed in any year five mills on the dollar for any one of said purposes, and not to exceed in any year twenty-five mills on the dollar, . . . for all said purposes . . .<sup>10</sup>

The constitution thus limits the rate for public improvements and road taxes. It further provides that the tax can be levied by the police jury only after the rate, purpose, and duration have been submitted to the resident property taxpayers qualified to vote in the subdivision affected, and a majority of those voting, in both number and dollar value of property, shall have voted in favor of the tax levy. The maximum duration of such tax is 10 years. At the end of that time, it must be presented to the qualified voters again if renewal is desired.

The road construction and maintenance taxes were instituted in Lincoln Parish in 1927 as one five-mill tax levy for both purposes; it was renewed by the voters in 1937 and 1947. In 1957, the tax was separated into two five-mill levies—one for construction and one for maintenance—presented to the voters, and approved by a majority vote for another ten years. By levying five mills for *maintenance* of roads, and five mills for *construction* of roads, the constitutional limitation of five mills for any one purpose, and not to exceed a total of twenty-five mills was not violated.

In 1959, these ad valorem taxes yielded the parish about \$81,000 each for construction and maintenance of roads, after cost of collection, or a total of \$162,027 (Table 1, page 20). The constitution limits the use of these revenues to the purpose for which levied. They can only be transferred to the general fund expenditures with consent of the taxpayers.

**Bond Revenue Taxes.**—Parish governments in Louisiana are permitted to levy property taxes, in excess of the maximum rates otherwise allowed, for the purpose of paying principal and interest on funds borrowed for capital outlay purposes through the sale of bonds.<sup>11</sup> The amount of bonded indebtedness at any one time is limited to a maximum of 10 percent of assessed value of taxable property in the taxing district concerned. Permission must be granted by the State Bond and Tax Board before bonds can be issued, following a favorable vote by a majority of the property owners qualified to vote.

<sup>10</sup>Louisiana Constitution of 1921, Article 10, Section 10.

<sup>11</sup>Revised Statutes 1950, Titles 39 and 47.



In 1959, the police jury of Lincoln Parish had outstanding two separate bond issues supported by property taxes. The parish borrowed \$700,000 with the issuance of bonds April 1, 1948, for the construction of a modern courthouse and jail; these were 25-year bonds maturing annually until 1973. A tax of four-mills per dollar of assessed value of property was levied by the police jury to meet the annual costs of the debt. The rate was later reduced to three mills, then to two and a half mills, and finally to two mills in 1959, as a result of increases in assessment values. The two mill rate provided \$37,316 in 1959. Accrued funds from the tax of previous years have been more than sufficient to cover annual costs each year.

In June, 1959, the police jury issued \$800,000 of hospital bonds, as authorized by an election held on February 24, 1959. The proceeds of the sale are being used to finance the parish's share of a parish hospital, costing approximately \$1,500,000, and constructed under the Hill-Burton Act of the U.S. Congress.

The police jury levied a tax of four mills per dollar of assessed value of property to provide a sinking fund for retirement of the bonds. Revenue of \$25,487 was received from this tax in 1959.

**Ward 6 Recreation Fund Tax.**—The police jury of a parish has constitutional authority to form special districts for specific governmental functions, such as fire protection, recreation, or drainage and water control, and to provide for the financing of these activities by ad valorem taxation of the property within the stated district.

Lincoln Parish has one special district known as the Ward 6 Recreational District. The police jury levies an annual tax of one mill to provide income with which to support recreational activities in the district. In 1959, this tax yielded a net of \$1,209.65. It was spent for athletic equipment, transportation, utilities, and salaries of supervisory personnel. A balance of \$1,992 remained in the fund at year's end.

### **Gasoline Tax**

The gasoline tax of seven cents per gallon in Louisiana is levied under authority granted in Article 6, Section 22, and Article 6-A of the Constitution of 1921. Legislative acts of 1928, 1936, and 1948, as amended, levied the tax on gasoline by increments. All acts levying gasoline taxes have been consolidated as part of Revised Statutes of 1950, Title 47, Sections 711, et seq.

Acts of 1952, 1956, and 1958 amended the 1936 act to dedicate one-half of the two cents tax levied by Section 711-B of Title 47 to the credit of a:

special fund to be known as the Parish One Cent Gasoline Fund. All such taxes . . . shall be apportioned, allotted, and disbursed by the state treasurer to the parishes and the City of New Orleans in the proportion that the number of gallons of gasoline and motor fuel sold in each parish and the City of New Orleans bears to the total number of gallons of gasoline and motor fuel sold in all the parishes and the City of New Orleans for the preceding



calendar year, as reflected by the annual reports filed by the several governing bodies under the provisions of RS 47:722, copies of which shall be filed with the state treasurer.<sup>12</sup>

The collector of revenue forwards to the state treasurer the full amount collected by the one-cent tax in the preceding month for each parish within the first ten days of each month.

Reports of sales for the preceding year must be filed with the police jury of the parish by retailers of motor fuels before February 20 of each year. Wholesalers must file annual reports of sales before March 1 of each year. The parish then files a claim with the state treasurer for the amount of taxes due it each month from the one-cent fund.

In 1959, Lincoln Parish's receipts from the tax amounted to \$106,444. According to legislative requirements, this amount must be used for the "construction and maintenance of roads and bridges" in the parish. It is therefore budgeted as a special road fund by the police jury, which uses it for any expense that can be considered as maintenance of the road system, including the upkeep of prisoners who work on road construction, and equipment and office supplies for the road department. At the close of 1959, a balance of approximately \$93,000, or an amount equal to about nine-tenths of the year's collection, remained in this fund for the parish as a result of the excess of past years' collections over expenditures.

### Severance Tax

The legislature enacted in 1922 a state severance tax on natural resources, including timber, under provisions of Article 10, Sections 1 and 21 of the state constitution. It has been amended five times since then. These enactments and amendments of severance taxes are found in Titles 47 and 56 of Revised Statutes of 1950.

Parishes and other local governments are prohibited by Section 21 from levying such a tax. However, Section 21 provides that:

not less than one-third of the amount of severance tax collected on sulphur not to exceed \$100,000 to any parish in any one year and not less than one-fifth of the amount of the severance tax on oil, gas, or other minerals or any natural resources severed from the soil or water, collected therein

must be allocated by the legislature to the parish where collected, provided that not more than \$200,000 in total severance taxes goes to any parish in any one year.

Section 1, as amended in 1926 by Act 162, provided, in part, as follows:

For the purpose of encouraging the reforestation of denuded lands, contracts fixing the assessed valuation of the specific lands for the duration of the agreements, and fixing a total severance tax based on the value of forest products when severed, three-fourths of which shall go to the parish where they are severed, and which severance tax, for a period not to exceed fifty years from the date

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<sup>12</sup>Revised Statutes 1950, Title 47, as amended in 1958.

of such contract, shall be in lieu of all other taxes on said forest products, are hereby authorized . . .<sup>13</sup>

Act 120 of 1926, dealing with this reforestation contract severance tax, levied a tax of 6 percent of the value of the forest products when severed in lieu of all other taxes on said products.<sup>14</sup> This tax, still existing, applies only to the timber covered by the contracts for reforestation between a landowner and the State of Louisiana.<sup>15</sup>

Subsection 2 of Section 21 was added in 1948 (Act 546) prohibiting the severance tax on timber from going to the parishes where the timber was severed. Instead, it was dedicated to the Louisiana Forestry Commission.

In 1954 the legislature amended Section 1 by Act 759, known as the "Forestry Taxation Law," which repealed the 1948 amendment (Section 21.2 referred to above) by exempting all except virgin timber from the general severance tax.<sup>16</sup> This particular amendment states:

Timber, other than virgin timber, shall be recognized as a growing crop. A severance tax on trees and timber severed from the soil or water is hereby levied at the rate of  $2\frac{1}{4}\%$  on all forms of timber except pulpwood, and 5% for pulpwood, of the then current average stumpage market value of such timber, to be determined annually on the second Monday of January by the Louisiana Forestry Commission and the Louisiana Tax Commission, such tax to be collected in accordance with the laws for the collection of severance taxes on natural resources existing at the time of the collection.<sup>17</sup>

The act provides that three-fourths of the tax collected according to rates in Table 3 is remitted by the state treasurer to the governing authority of the parish where the timber is severed. One-fourth goes to the state general fund and is allocated mostly to education. The land

**TABLE 3.—Ad Valorem Rates for Yield Tax on Timber Other Than Virgin, Forestry Taxation Law, 1954, Louisiana**

Timber	Tax Rate
All forms except pulpwood	$2\frac{1}{4}\%$ of current average stumpage value <sup>a</sup>
Pulpwood	5% of current average stumpage value

<sup>a</sup>Determined jointly by Louisiana Forestry Commission and Louisiana Tax Commission in January of each year.

Source: Louisiana Constitution of 1921, Article X, Section 1, Paragraph 5, as amended by Acts 1954, number 759.

<sup>13</sup>Louisiana Constitution of 1921, Article 10, Section 1, Paragraph 3.

<sup>14</sup>Revised Statutes 1950, Title 47:651.

<sup>15</sup>Details of this program are spelled out in Title 56, Chapter 4, Part IV, of the Revised Statutes of 1950.

<sup>16</sup>Opinion of state attorney general, January 12, 1955.

<sup>17</sup>Louisiana Constitution of 1921, Article 10, Section 1, Paragraph 5, as amended by Acts of 1954, number 759.

**TABLE 4.—General Severance Tax Rates on Virgin Timber, Louisiana**

Timber	Tax Rate	
	(Cents per	M.B.F. log scale)
Cypress .....	100	
Pine .....	50	
Ash and hickory .....	75	
Red gum .....	150	
Cow oak .....	50	
White oak .....	100	
Cottonwood, magnolia, poplar, sycamore, and all other hardwoods .....	25	
Tupelo, black and sap gum .....	25	
Pulpwood .....	15 cents per standard cord of 4 feet by 4 feet by 8 feet	

Source: Ellis T. Williams, *State Forest Tax Law Digest*, 1956, U.S.D.A. Forest Service, Washington, D. C., 1957, page 79. Louisiana R. S. of 1950, Title 47, Section 633.

on which the timber is grown remains subject to the general property tax. It cannot be assessed henceforth at a higher rate because of increased value of timber on it than existed at the time the act was passed.

While virgin timber is taxed under Section 21, the statutes do not specify how "virgin timber" is defined or determined. According to Revised Statutes of 1950, Title 47, Section 633, it would be taxed at the general severance tax rates shown in Table 4. These funds are credited to the Louisiana Forestry Commission for use in scientific research and reforestation.

These severance and timber yield taxes provided the Lincoln Parish Police Jury with \$94,840 in 1959. Not all severance taxes refunded to the parish go to the police jury, however. Revised Statutes of 1950, Title 47, Section 646, requires that they be shared with the parish school board by stating that the severance taxes must be apportioned to the governing authorities of the parishes within the first 15 days of each calendar quarter "in proportion to the amount of ad valorem property taxes payable to each such governing authority as shown by the last completed assessment roll." About seven-eighths of Lincoln Parish's collections from the general severance tax come from oil, gas, iron ore rock, bentonite (clay), and sand; pulpwood and logs furnished the remaining one-eighth in the form of the timber yield tax. Severance taxes are placed in the general fund for general government expenditures.

### Business Licenses

License to do business in Louisiana<sup>18</sup> may be required by the legislature and by parish and municipal governing bodies.<sup>19</sup> Local govern-

<sup>18</sup>Those excepted from licenses are clerks, laborers, ministers of religion, school teachers, graduate trained nurses, and those engaged in mechanical, agricultural, or horticultural pursuits, or operating sawmills.

<sup>19</sup>Constitution of Louisiana, Article 10, Section 8; Revised Statutes of 1950, Title 47, Sections 341-405.

ments cannot levy a license fee greater than that imposed for state purposes except on alcohol dealers and where state income tax substitutes for a state license levy. Furthermore, if a municipal government levies a license fee equal in amount to that levied by a parish government, the taxpayer is exempt from the parish fee. The city of Ruston and the other incorporated towns in the parish require licensing, while the Lincoln Parish government collects license revenue only on business units outside the municipalities. In 1959 revenue from this source amounted to \$1,175 and was placed in the general fund for general parish expenses along with the ad valorem and severance taxes.

### **Miscellaneous Sources**

The Lincoln Parish government contributes to the salary of the district attorney and the city court judge of Ruston, with the city judge handling certain cases in his capacity as judge of ward court. Court fines and forfeitures and district attorney's fees amounted to about \$14,000 in 1959. Rentals and royalties, such as the rent of office space to private parties in the courthouse (abstract companies, for example, in the clerk of court's quarters), were budgeted to yield \$1,835; sales of used equipment, \$840; dividends on life insurance policies, \$144; commissions on telephone calls, \$11; and transportation of voting machines for elections, which is paid for by the state treasurer, \$660. Local governments are permitted by the legislature to invest idle funds in U. S. government securities. Interest earned on these in 1959 amounted to \$2,695 for general fund revenue plus \$2,640 for the hospital construction fund.

### **Forestry Tax**

A tax of two cents per acre is levied by the police jury on forest and cutover forest lands in the parish not otherwise classified.<sup>20</sup> The tax is subject to the homestead exemption. It is paid to the Louisiana Forestry Commission, under supervision of a parish board of forestry, for fire protection of forest lands in the parish and for promotion of the forest industry. The state and federal governments contribute an amount equal to twice the amount provided by the parish tax.

### **Acreage Tax for Public Improvements**

The police jury is permitted by Revised Statutes 39:702-705 to call an election for levying an acreage tax not to exceed 50 cents an acre. This tax would be for the purpose of funding into bonds for additional aid to public schools or for other public improvements. The amount of bonds issued under this election is not limited to the 10 percent of assessed value of property as in other cases of borrowing by the parish. In 1959, Lincoln Parish was not levying this tax.

### **Police Jury Expenditures**

Attention will not be devoted to the expenditure of the revenue collected as described in the preceding section. The items of expense will

<sup>20</sup>Louisiana Constitution of 1921, Article 6, Section 2; Revised Statutes of 1950, Title 56, Sections 1512-1526.



be discussed in the following order: those for executive administration of the governing body and those for functional, or nonadministrative, purposes.

### Administrative Costs

The cost for administration of the police jury for one year is outlined in Table 5. These data reveal that the salaries of the secretary-treasurer and one clerk as assistant in maintaining the parish office constituted the largest single expense (\$7,787.50) in 1959.<sup>21</sup>

**TABLE 5.—Administrative Costs of Lincoln Parish Police Jury, 1959**

Salaries of secretary-treasurer and assistant .....	\$ 7,787.50
Mileage and per diem of police jurors .....	6,117.60
Official printing .....	673.00
General and Office Expense:	
Advertising .....	125.78
Association dues .....	180.00
Office supplies and expense .....	2,974.10
Telephone and telegraph .....	627.70
Travel and convention expense .....	805.71
Employer's contributions to:	
Group insurance .....	3,558.20
Social security .....	626.55
Parochial employees retirement system .....	300.00
<b>TOTAL</b> .....	<b>\$23,776.14</b>

The highest administrative cost was for the attendance of the police jurors at the monthly meetings. The jury convenes in regular session one day each month. Occasionally a special meeting is called. Special meetings may be called by the president, or whenever he is required to do so by 12 voters of the parish. Compensation of each juror is fixed at \$30 for each day that he attends a meeting or is in actual service of the parish, up to a maximum of 52 days per year.<sup>22</sup> He is also paid 10 cents per mile from his home to the courthouse and return for each meeting and for inspection of roads and bridges in the parish. The Lincoln jury has followed the practice of waiving the per diem remuneration for road and bridge inspection, thus reducing the expense to the parish. Total mileage and per diem claims by the jurors amounted to \$6,117.60 in 1959, an average of \$556.15 per juror. This is a cost of approximately \$45.34 per juror per month for attendance at meetings and attention to other duties, such as road, bridge, and facilities inspection.

Employer's share of contributions to group insurance, social security, and parish employees' retirement system for administrative personnel, amounting to \$4,484.79, was the next highest expenditure for administration purposes in 1959. This does not include the cost of contributions to

<sup>21</sup>Under provisions of Act 225 of the 1960 legislature (RS 33:1236.1), the jury hired a parish manager beginning in October, 1960. The manager is the former secretary-treasurer who was at retirement age. He had served the parish since the beginning of its primary road system and this was a move to retain his valuable services. This increased administrative salaries.

<sup>22</sup>Louisiana Revised Statutes of 1950, Title 33, Section 1233.

these funds for road maintenance personnel, which are included in the costs of road construction and maintenance. Office supplies and expense amounted to \$2,974.10.

The travel expenses of the secretary-treasurer and the president of the jury and of other jury members who attend official functions outside the parish are charged to administration. Included is the attendance at the annual Louisiana Police Jury Association meeting, and any committee meetings in connection therewith, which may be obligations of the local members. In 1959 this expense came to a total of \$805.71. The association dues of the Lincoln jury, amounting to \$180 annually, should be added to this. These dues are paid from public funds and not by the individual members of the jury. Membership in the association is held by each police juror, secretary, treasurer, clerk, parish engineer, and district attorney. Dues are remitted annually in January by the governing authority through the parish treasurer. The treasurer of the Police Jury Association bills the parish treasurer according to a schedule of dues based on the size of assessments for property tax purposes in the parish, ranging from \$90 per year for assessments up to \$5,000,000, to \$1,050 per year for assessments of \$550,000,000 and above. Lincoln Parish had an assessment of about \$18,000,000 in 1959, requiring annual dues of \$180, which is applicable for the range of assessments of \$17,-500,000 to \$20,000,000.

Louisiana statutes require that the police jury must choose a newspaper published in the parish (if one is available) as its official journal and publish the minutes of its meetings within two weeks, along with any ordinances which will become law in the parish. The cost of this official printing amounted to \$673 in 1959. There is only one newspaper published in Lincoln Parish — the Ruston Daily Leader — which automatically becomes the official journal of the jury.

Telephone calls and telegrams cost the parish \$627.70 in 1959, while advertising, consisting principally of advertisements for bids on materials and supplies, cost \$125.78.

Total administrative cost to the parish for keeping the police jury came to a total of \$23,776.00 for the year, or an average of about \$2,161 per juror. Income with which to pay these costs was derived mostly from a parish ad valorem tax of four mills and the severance tax. It should be noted at this point that administrative expense of the police jury required about 46 percent of the revenue collected from the general fund ad valorem tax (\$50,470.74) in 1959.

### **Functional Costs**

Among the many duties assigned to a police jury by the legislature in Section 1236 of Title 33 of Revised Statutes of 1950 is one which *requires* it:

to provide a good and sufficient courthouse, with proper rooms for jurors; and also a good and sufficient jail, at such place as they may deem most convenient for the parish at large; provided, that when the seat of justice is established by law, they shall not have power to remove it.



In 1948, the Lincoln Parish jury provided a bond issue for the construction of a large, modern courthouse with jail facilities, the current status of which is shown in the "Sundry Funds" statement. The maintenance of this and other buildings owned by the parish (the cost is mostly applicable to the courthouse) cost the parish \$25,480 in 1959. About half of the revenue received from the ad valorem tax for general fund purposes was required to meet this cost. The expense for maintenance employees amounted to \$11,439, while utilities comprised the second largest cost of a little more than \$4,000 for the year. The parish government furnishes office space, maintenance personnel, and utilities for all parish offices in the courthouse, the operations of which are discussed in later sections of this chapter. Included in the cost of the courthouse for 1959 is also the sum of \$40,276.56 for redemption of 1948 construction bonds, interest, and other charges paid from revenue afforded by an ad valorem tax levied for this purpose.

The largest share of the expenditures made each year by the police jury is for construction and maintenance of the parish road system. Historically, this has been a predominant function of each jury. With the advances in travel in recent years, however, the state highway department has assumed responsibility for construction and upkeep of many miles of roads formerly maintained by the parishes.

Analysis of the 1959 statement of cash receipts and disbursements of road funds of the Lincoln Parish Police Jury reveals that 70 percent of total expenditures for all causes was for road construction and upkeep. The amount was \$367,657.51, including \$59,990 carried in the general fund as a disbursement for road materials. All other expenditures by the jury amounted to \$159,044.02.

The jury hires a permanent employee as superintendent of roads and a varying number of wage earners for construction and maintenance work. In addition, prisoners of the parish are used as laborers and are housed in a special "road camp" under the supervision of the road superintendent. Their cost is shown under road funds disbursements.

Revenue for the "Special Road Fund" is derived largely from one cent of the state gasoline tax collected in the parish and a special annual appropriation by the legislature as described in the revenue section of this chapter. The gasoline tax revenue, amounting to about \$106,000 in 1959, can be spent on roads for any purpose decided by the police jury. The \$30,000 legislative appropriation is to be spent for any road purpose approved by the parish representative and senator. The "Road Construction Fund" is derived from an ad valorem tax of five mills which must be approved by a majority vote of the voting property owners each 10 years and must be spent for creation or rerouting of roads and bridges. The "Road Maintenance Fund" is also derived from ad valorem tax of five mills approved by the voters each 10 years and is used for the maintenance and improvement of existing roads and bridges. Supplementing these two funds is an annual allocation of \$20,000 to \$40,000 by the State Department of Highways to aid the parish in its road improvement plan. The amount in excess of \$20,000

is appropriated for construction on the basis of "need," upon recommendation of a survey completed by the Auto Safety Foundation in 1955. It has since tended to become an annual allocation. A similar one is made to most other parishes.

Combining the expenditures on the road system from all these separate accounts, one finds the following summary of expenditures by Lincoln Parish for construction and maintenance of its highways in 1959:

Salaries, supervisory personnel .....	\$ 9,775.00
Wages of laborers .....	118,677.26
Fuel and maintenance of equipment .....	57,648.49
Purchases of equipment .....	9,065.52
Road materials (including \$59,990 from general fund) .....	144,855.96
Upkeep of prison labor and camp .....	9,121.25
Construction of a water well .....	3,042.04
Assessor's compensation for assessment of taxes .....	4,600.32
Administrative and miscellaneous .....	3,909.52
Insurance .....	6,962.15
<b>TOTAL .....</b>	<b>\$367,657.51</b>

Other expenditures of the jury are discussed under the agencies to which it makes contributions.

The magnitude of the parish government's financial requirements each year is exemplified in the following recapitulation of the total cost of the police jury function for 1959.

#### Expenditures:

General fund	\$177,636.43	
Road funds <sup>a</sup>	307,667.51	
Ward Six recreation fund	1,121.03	
Total expenditures		\$486,424.97
Disbursement of taxes collected by sinking funds for bond retirement and interest:		
Courthouse	\$ 40,276.56	
Hospital <sup>b</sup>	25,487.42	
Total sinking funds		65,763.98
<b>TOTAL COST OF FUNCTIONS:</b>		<b>\$552,188.95</b>

### Parish School Board Revenue Sources

Lincoln Parish had one parish-wide school district in 1960 plus six smaller districts, five of which levied special property taxes for school purposes. Article 10, Section 10, and Article 12, Section 15, of the Constitution of 1921 permit local districts to levy maximum rates of taxation the same as the entire parish or district within which they are

<sup>a</sup>Excludes \$59,990 included in general fund for roads.

<sup>b</sup>The hospital function was instituted in June, 1959. By the end of the year, bonds had been sold but there were, of course, none ready for redemption. The cost included for this item, therefore, is the amount that had been collected from the tax which is to be used for redemption and interest on these bonds.

**TABLE 6.—Property Tax Rates, Lincoln Parish, Louisiana, 1959-62**

School District	Tax Rates				
	City	State	Parish	School	Total
			(Mills per dollar of assessed value)		
# 1 In Ruston	20.00	5.75	18.00	23.50*	67.25*
Outside Ruston		5.75	20.00	23.50*	49.25*
# 3 Simsboro		5.75	20.00	24.00	49.75
# 5 Dubach					
Ward 6		5.75	21.00	19.50	46.25
Ward 8		5.75	20.00	19.50	45.25
# 6 Choudrant		5.75	20.00	23.50	49.25
# 7 Hico					
Wards 2, 7, 8		5.75	20.00	25.50	51.25
Ward 6		5.75	21.00	25.50	52.25
#24 Hopewell-Downsville		5.75	20.00	27.50	53.25

\*For 1961-62 add 7 mills.

located. Consequently, different rates of taxation for special purposes exist in the different school districts of the parish (See Table 6 and Figure 1).

Total parish tax revenue for the general fund for fiscal 1959-60 amounted to \$319,000 including \$190 from rent and leases; total revenue from state and federal sources was \$1,558,802, giving a total income, exclusive of interfund transfers, for the general school fund of \$1,877,761. A balance of \$165,105 was available from the previous year's funds. This, along with a two-mill maintenance tax providing \$39,011, gave a total of \$2,081,877 of funds available for general administrative control, instructional services, operation and maintenance of plant, fixed charges, and auxiliary agencies such as 4-H Club and adult education work under the State Department of Education. Revenue from bond taxes approached \$212,000 to care for interest and principal on school construction loans. Receipts from the school lunch program were \$213,640.

A summary of the 1959-60 revenue sources is presented in Table 7 which shows a total of about \$2.3 million used by the school board. The general fund budget, as estimated for 1960-61, is given in Table 8 for purposes of comparison.

The sources of revenue utilized by the Lincoln Parish School Board during the fiscal year July 1, 1959, to June 30, 1960, are analyzed in the following pages.

### Ad Valorem Property Taxes

**Parish-Wide Constitutional Tax.**—Article 12, Section 15, of the constitution provides the authority for parish public school revenues. A parish school board may levy up to five mills per dollar of assessed value of taxable property per year for general school operation without consent of the voters. The Lincoln Parish School Board had this maximum levy in 1960. The resulting revenue, amounting to about \$96,000 was combined with grants from the state to be used for current operating expenses of the schools, including instructional services

**TABLE 7.—Summary of Revenues, Lincoln Parish School Board, 1959-60 Fiscal Year**

I. General Fund:	
A. Parish taxes .....	\$ 318,959.25
B. State and federal sources .....	1,558,802.35
Total revenue receipts (does not include 2-mill maintenance tax fund) .....	\$1,877,761.60
II. Revenue from 2-mill maintenance tax .....	39,011.40
Total .....	\$1,916,773.00
III. Revenue from bond taxes for capital outlay: <sup>a</sup> .....	211,605.42
Total, all sources except school lunch program .....	\$2,128,378.42
IV. School lunch program receipts .....	213,640.26
TOTAL, all sources .....	\$2,342,018.68
Ad valorem taxes as per cent of total revenues .....	19%
<sup>a</sup> 7.5 mills parish-wide district .....	\$144,357.74
4. mills Ruston No. 1 District .....	50,569.25
4.5 mills Simsboro No. 3 District .....	6,422.05
4 mills Choudrant No. 6 District .....	4,075.99
6 mills Hico No. 7 District .....	4,934.44
8 mills Hopewell-Downsville No. 24 District .....	1,245.95
Total Bond Tax Revenue .....	\$211,605.42

and administrative expenses. For additional support to schools, the parish school board by proper vote may levy a property tax up to seven mills per dollar of taxable assessment per year, provided it is approved in public election by a majority of the assessed property-owning voters; its maximum duration must be 10 years, but is renewable by public vote of assessed property owners. In 1949, the Lincoln Parish School Board levied five mills of this tax. It was renewed in 1960 for another 10 years. It provided about \$96,000 of revenue in 1959-1960. This fund is allocated for repairs and maintenance of the physical school plant. Apparently, a police jury could also support schools financially. Article 10, Section 10, makes provision for any special taxes, including schools, roads, bridges, etc., by the police jury.

**Maintenance Tax: Special Repairs and Equipment Tax.**—The constitution, in Article 12, Section 15, provides for the levy of another five mills tax for maintenance of school buildings, stating that such revenue may be used for “the maintenance or operating expense” of school buildings, provided such levy has been approved by the voters and is for a maximum of 10 years, subject to renewal. In 1949, the Lincoln school board, after due election and approval by voters, levied two mills of this tax, which was renewed in 1960 for another 10 years. It yielded about \$39,000 in revenue in fiscal 1960, and was used primarily for the purchase and upkeep of equipment for the schools. The call for election of the tax carried the wording “for purpose of constructing, equipping, and/or improving buildings or for maintenance thereof.”

**Bond Revenue Taxes.**—Under provisions of Article 14, Section 14, of the constitution, a school district may issue bonds to obtain revenue for construction of school plants in an amount not exceeding 25 per



**TABLE 8.—General Fund Budget of Receipts and Expenditures, Lincoln Parish School Board, Fiscal 1960-1961**

<b>REVENUE RECEIPTS</b>	
State, federal and special state public school funds	
Per educable .....	\$ 389,400.00
Equalization .....	1,184,954.05
Vocational education funds state and federal .....	2,500.00
Sixteenth section land fund .....	429.97
<b>TOTAL—State, federal and special</b> .....	<b>\$1,577,284.02</b>
Parish	
Parish-wide taxes	
Constitutional 5 mills .....	97,000.00
Special maintenance 5 mills .....	97,000.00
Severance tax .....	100,000.00
<b>TOTAL—Parish</b> .....	<b>\$ 294,000.00</b>
<b>TOTAL REVENUE RECEIPTS</b> .....	<b>\$1,871,284.02</b>
<b>TOTAL REVENUE AND NON-</b>	
<b>REVENUE RECEIPTS</b> .....	<b>\$1,871,284.02</b>
Cash Balance, July 1, 1959 .....	\$ 224,665.05
<b>TOTAL RECEIPTS, BALANCE</b>	
<b>AND OVERDRAFT</b> .....	<b>\$2,095,949.07</b>
<b>CURRENT EXPENDITURES</b>	
General Control .....	\$ 65,095.00
Instructional service—white teachers .....	892,922.00
Instructional service—Negro teachers .....	592,690.00
Operation of plant .....	106,267.95
Maintenance of plant .....	30,305.00
Auxiliary agencies .....	293,755.00
Fixed charges .....	30,700.00
<b>TOTAL—Expenditures for current operation</b> .....	<b>\$2,011,734.95</b>
<b>TOTAL ALL EXPENDITURES</b> .....	<b>\$2,011,734.95</b>
Cash balance, June 30, 1960 .....	\$ 84,214.12
<b>TOTAL, EXPENDITURES, BALANCE AND OVERDRAFT</b> .....	<b>\$2,095,949.07</b>

cent of assessed valuation of property in the district. School bonds issued on a parish-wide basis on two occasions in past years required a seven and one-half mills property tax for payments of principal and interest in fiscal 1960. This provided revenue of approximately \$144,000 (Table 7, page 35). In addition, five subdistricts had tax levies ranging from four to eight mills in support of bond issues; two had four mills each, one four and one-half mills, one six mills, and one eight mills. Together these levies yielded around \$67,000 in fiscal 1960. Supposedly, each of these taxes will provide increased revenue in succeeding years as assessment values rise.

### Severance Tax

Legislative provisions require that the school board share severance tax revenues with the police jury. The Lincoln school board's share of the tax in 1959-60 amounted to \$126,300. This revenue was placed in the general fund to be spent on general control of the school system, including administrative and instructional services.

## State and Federal Funds for Schools

Article 12, Section 14, of the constitution provides for the following sources of funds to the State Board of Education for distribution to the parishes:

1. A two and one-half mill state-wide ad valorem tax, extended on the assessment rolls and collected by the tax collector for each parish and paid into the state fund;
2. A balance in the severance tax fund after maximum constitutional allocations to the purposes for which it was levied by Article 10, Section 21, of the constitution; some of this is specifically dedicated to be used for free books and school supplies;
3. Proceeds of particular taxes to be levied for the state public school fund;
4. Any other funds dedicated for school purposes after the adoption of this article. The legislature is required to maintain at least \$10,000,000 annually in the fund, even if it has to go into the general fund to supplement the above sources of revenue.

These funds are pooled and allocated to the parish school boards primarily in two categories:

1. Three-fourths in monthly installments to each school board in the proportion that the number of educable children from 6 to 18 years of age in the parish bears to the total of that number of educables in the state (the "per educable" fund);
2. One-fourth to the boards on an equalization basis to provide a minimum educational program in each parish as determined by the state board of education (the "equalization" fund).

The amount of the per educable fund apportioned to Lincoln Parish in 1959-60 was \$381,315; the equalization fund allocation was \$1,119,453.77.

Additional funds are provided by Section 14 of Article 12 of the constitution. Under this clause the legislature shall use the following funds for school purposes:

1. Interest on proceeds of lands heretofore and hereafter granted by the United States for school purposes and revenues from unsold portions of same (sixteenth section land fund). These funds are to be released to acquire, construct, and equip public school-plant facilities.
2. All funds and proceeds of lands and property granted to the state but not designated for any other purpose.
3. Appropriations made for vocational education or other school purposes by the United States Office of Education or other United States government agency.

Funds coming to Lincoln Parish from these sources in 1959-60 amounted to about \$7,200.

## School Lunch Funds

The final source of funds available to the parish school board from the State Board of Education is the public school lunch program. This revenue, amounting to \$213,640 in fiscal 1960, was derived from the sale of lunches, federal grants for food, and state grants. Data for the

1959-60 school year lunch program in Lincoln Parish are shown in Table 9.

Local property taxes provided \$454,000 or 19.8 percent of the total expected new revenue to the school board in fiscal 1961, compared with 18.1 percent in fiscal 1960. Of the general fund revenue, 10.4 percent, or \$194,000, came from local property taxes. This is exclusive of the two and one-half mills state property tax for education which was pooled with that from other parishes for distribution to the school districts under the per educable and equalization funds.

## Parish School Board Expenditures

The statement of operating expenses of the Lincoln Parish School Board for the fiscal year ending June 30, 1959, shows the costs incurred by the board for a year's operation of the school system, exclusive of capital outlay and school lunch program expenses. Expenditure items will be analyzed according to administrative costs and functional or non-administrative costs.

### Administrative Costs

Administrative costs of the school board for a year were:

Salary of superintendent .....	\$11,975.00
Salary of visiting teacher .....	7,700.00
Travel expense of superintendent and visiting teacher .....	1,074.82
School board mileage and per diem .....	4,326.40
Salaries of clerks .....	11,000.00
Office expense .....	3,878.78
School Board Association dues .....	400.00
Convention and conference expense .....	1,893.94
Surety bond premiums .....	200.00
Employer's contributions to:	
Social security .....	459.05
Retirement system for superintendent and visiting teacher (est.) .....	2,000.00
TOTAL .....	\$44,907.99

This itemization of the general control expenses of the school board indicates the items of expense incurred by the board before any instruction or building costs have been counted. The largest item of expense is that of the superintendent. In addition to his salary, he is allowed a travel expense while on duty in attendance at school administration. His share of the travel expense listed above was \$631.49. The next largest item is that of salaries of clerks to maintain the records of the board and the superintendent in the headquarters office. This expense amounted to \$11,000 in fiscal 1959. Three office assistants, including a bookkeeper, were employed by the school board.

Mileage and per diem expenses of the board members, as set forth in a previous section, amounted to \$4,326.40 for fiscal 1959. This was an expenditure of \$393.31 per year per member or \$32.78 per month per member.

**TABLE 9.—School Lunch Program, Lincoln Parish, 1959-1960**

<b>RECEIPTS</b>	
Students .....	\$ 59,892.90
Adults .....	8,303.10
State .....	125,145.47
Federal .....	20,298.79
<b>TOTAL RECEIPTS</b> .....	<b>\$213,640.26</b>
<b>EXPENDITURES</b>	
Food .....	\$151,358.99
Labor .....	46,421.98
Other .....	6,411.55
<b>TOTAL EXPENDITURES</b> .....	<b>\$204,192.52</b>
Number of lunchroom workers:	
White .....	24
Negro .....	31
<b>TOTAL</b> .....	<b>56</b>
Daily average number of children participating .....	4,907
Total number of school lunch workers .....	56
Number of lunches served children .....	863,622
Free lunches .....	75,624
Number lunches served adults .....	46,395
Total lunches served children and adults .....	910,017
Average parish cost for each lunch .....	\$0.236

Source: *Report of Superintendent to Lincoln Parish School Board, July 11, 1960.*

Miscellaneous expenses attributable to administration include \$200 for surety bond premiums for members and officers charged with financial responsibilities, \$400 for School Board Association dues which are charged to the public, \$1,893 for expense of travel to conventions and conferences by board members and executive officers, and \$2,459.05 as the board's share of contributions to social security and retirement systems, exclusive of teachers. The total administrative cost of approximately \$45,000 was about 2.5 percent of total operating expenses.

### Functional Costs

The largest category of expenditures by Lincoln Parish School Board is instructional service. The cost of this service was \$1,201,528.12, or 67 percent of total operating expense, during the fiscal year of 1959. This was divided 40 percent for white schools and 27 percent for Negro schools. Included in this expense for instructional service are the salaries, travel expense, and secretarial help for the supervisors of public schools of the parish. This sum amounted to \$11,873.45 for the supervisor of white schools, plus \$6,494.28 for the supervisor of Negro schools.

About 60 percent of total instruction expense was for white pupils. White students comprise 51.3 percent of the total number of pupils in schools during the year, and 50.3 percent of the total number of children classed as educables in Lincoln Parish. Of the total number of regular teachers, 58.3 percent were white, 51 percent of which held master's degrees, while 41 percent of the Negro teachers held this degree. Instruc-



tional salaries are influenced partially by degrees possessed by the teachers.

The instructional cost per educable for whites and Negroes, as discerned from data available for the 1959-60 fiscal year, was \$226 per educable for whites and \$153 for Negroes.

## **Clerk of Court**

Revenue for operation of the office of clerk of court is derived from fees charged for services and duties performed. These fees, established by the legislature, provided the Lincoln Parish clerk of court with about \$31,000 for the district court term of July 1, 1959, to May 31, 1960. This income was used to pay salaries of the clerk, his deputies and assistants, to purchase office supplies, and to pay the cost of the clerk's association dues and convention expenses.

Table 10 contains a statement of cash receipts and disbursements of the Lincoln Parish clerk of court salary fund for the court term of July 1, 1959, to May 31, 1960. The clerk's office also serves as a depository for funds collected in court litigations, such as peace bonds, bails, court adjudications of property, and fines. These funds are transferred to authorized recipients after court costs are deducted. Table 11 shows collections of \$95,887 in the advance deposit and registry of court funds for fiscal 1960.

## **Tax Assessor**

The office of tax assessor is operated with funds collected from all the governing bodies that receive property taxes from Lincoln Parish. These agencies are the State of Louisiana, Lincoln Parish Police Jury, Lincoln Parish School Board, the City of Ruston, and the Louisiana Forestry Commission. The legislature authorizes the tax assessor to make a charge to each for the assessment of property upon which each agency levies a tax. The charge for assessment is based on a formula which relates the amount of taxes levied for each agency to the total amount of the assessor's salary and expense fund, as fixed by the legislature.

In 1959, total receipts by the tax assessor amounted to \$22,300, as shown in Table 12. This was spent primarily for salaries for the assessor, his deputies and other employees, office supplies and equipment, the purchase and maintenance of an automobile for assessment work, travel and convention expenses, and communications expense. About 48 percent of this was paid by the school board in 1959. In 1957, the share for the school board was 52 percent. Addition of a hospital bonds tax in 1959 raised the share paid by the police jury. The assessor maintains his own depository of funds, writes the checks in payment of his office expense, and writes his own salary check. He must account to the state supervisor of public funds for funds subject to his control.

Since the payments to the assessor are not due until assessments are made and accepted by the Louisiana Tax Commission, the police jury and the school board advance to the assessor in the beginning of the

**TABLE 10.—Lincoln Parish Clerk of Court Salary Fund, Statement of Cash Receipts and Disbursements for the Period from July 1, 1959, to May 31, 1960**

<b>BALANCE AT BEGINNING OF PERIOD</b>	<b>\$13,637.53</b>
<b>RECEIPTS</b>	
Recordings	14,743.05
Cancellations	841.00
Mortgage certificates	1,850.50
Marriage licenses	623.00
Notarial fees	490.00
Certified copies	3,611.00
Suits and successions	6,020.86
Court attendance	456.00
Criminal fees	327.50
Certificates of title	946.00
Other fees	1,187.25
Salary deductions:	
Federal income tax	5,151.55
Retirement contributions	1,600.62
Total receipts	<u>37,848.33</u>
Total	<u>\$51,535.86</u>
<b>DISBURSEMENTS</b>	
Salaries:	
Clerk of court	\$ 8,800.00
Deputies	18,400.00
Other employees	4,812.50
Office supplies and expense	2,299.21
Association dues	93.50
Expense of convention	45.00
Remittances for salary deductions:	
Federal income tax	5,151.55
Clerks' Retirement and Pension Fund	1,600.62
Total disbursements	<u>41,202.38</u>
<b>BALANCE AT END OF PERIOD</b>	<b>\$10,333.48</b>

Source: Audit Report of State Supervisor of Public Funds, Lincoln Parish Clerk of Court, 1960, Exhibit B.

year a sum from which his salary and expenses are paid. Whenever he receives the amount due from the other agencies, any balance or deficit in the account of the police jury and school board is adjusted to actual amount due from each. Any savings in the expense account for any one year may be retained and added to a fixed allowance for the following year. By this means it is possible to allocate expenses for equipment, supplies, and office help over a period of years and thus relieve the school board and police jury from frequent demands for financial assistance beyond their share of taxes assessed each year. These agencies are required by law to keep the assessor's office supplied with proper equipment. Only at the termination of duty of the incumbent assessor are surplus funds returned to the taxing authorities on a pro rata basis.

TABLE 11.—Lincoln Parish Clerk of Court Sundry Funds, Statement of Cash Receipts and Disbursements, by Funds, for the Period from July 1, 1959, to May 31, 1960

<b>ADVANCE DEPOSIT FUND</b>	
Balance at beginning of period	\$ 3,617.04
Receipts—deposits	12,943.02
Total	16,560.06
Disbursements:	
Clerk's costs transferred to salary fund	6,020.86
Sheriff's costs:	
Local	1,360.90
Other parishes	245.20
Other costs	2,198.59
Refunds to litigants	1,910.13
Total disbursements	11,735.68
Balance at end of period	\$ 4,824.38
<b>REGISTRY OF COURT FUND</b>	
Balance at beginning of period	\$49,304.71
Receipts—deposits	82,944.55
Total	132,249.26
Disbursements:	
Clerk's costs	522.13
Taxes	65.48
Heirs, litigants, etc.	99,205.31
Total disbursements	99,792.92
Balance at end of period	\$32,456.34

Source: Audit Report of State Supervisor of Public Funds, Lincoln Parish Clerk of Court, 1960, Exhibit C.

## Sheriff

Legislative acts require each sheriff in Louisiana to maintain two funds; namely, the sheriff's fund and the sheriff's salary fund. The first is comprised of receipts collected as required by law in criminal and civil litigations, sheriff's sales of seized property, and cash bonds of those accused of law violations (Table 13). Disbursements of these funds to those officials and parties destined to receive them are recorded in the sheriff's fund statement. Some of these funds are simply transfers between the clerk of court and the sheriff.

The sheriff's salary fund consists of revenues which rest finally with the sheriff for the support of his office and official duties. It is this revenue that covers the cost of governmental operation of the sheriff's office in the parish. Revenues consist of commissions allowed the sheriff on taxes collected and licenses issued in his ex-officio capacity as tax collector; civil and criminal fees permitted by law for such items as serving subpoenas, writs, and warrants; per diem allowance for court attendance; transportation and feeding of prisoners; and an allowance of \$1,000 from the state for each representative the parish has in the state legislature. Income from all of these sources amounted to nearly

**TABLE 12.—Lincoln Parish Assessor's Salary Fund, Statement of Revenue and Expenditures for the Year Ending December 31, 1959**

<b>REVENUE</b>	
Allowance from:	
State	\$ 2,300.19
Police jury	8,893.79
School board	10,579.96
City of Ruston	364.99
Forestry Commission	61.07
Total allowance	\$22,200.00
Sale of old typewriter	100.00
Total revenue	\$22,300.00
<b>EXPENDITURES</b>	
Salaries:	
Assessor	7,200.00
Deputies	11,450.00
Other employees	2,400.00
Office supplies and expense	951.47
Telephone and telegraph	508.57
Automobile expense:	
Purchase of automobile	2,250.00
Gasoline and oil	542.88
Other	461.78
Other travel and convention expense	966.66
Insurance and bond premiums	740.35
Association dues	35.00
Total expenditures	\$27,506.71
<b>EXCESS (Deficiency) OF REVENUE OVER EXPENDITURES</b>	<b>(5,206.71)</b>
<b>SURPLUS AT BEGINNING OF YEAR</b>	<b>7,001.02</b>
<b>SURPLUS AT END OF YEAR</b>	<b>\$ 1,794.31</b>

Source: Audit Report of State Supervisor of Public Funds, Lincoln Parish Assessor's Office, 1960, Exhibit A.

\$87,000 for the Lincoln Parish sheriff's salary fund in the fiscal year of 1960 (Table 14).

Withholdings from tax collections are limited to 10 percent of the first \$450,000 of taxes collected per year plus 6 percent of all over this amount. As taxes are paid, the tax collector withholds the appropriate percentage for deposit to his salary and expense fund, then pays the remainder monthly to the respective tax recipient bodies in accord with the rate of levy by each.

Expenditures from the salary fund are made for many items that have no relationship to salaries. The act establishing the fund provides for its use for the payment of not only the salaries of the sheriff and his deputies, but also any and all items considered essential by the sheriff for the proper performance of his duties (see Table 14). They include such things as automobiles and their maintenance, insurance and bond premiums for officers, uniforms, communications equipment, sheriff's association dues, food and transportation for prisoners, and general office personnel and supplies. The sheriff's salary is fixed by the legisla-



**TABLE 13.—Lincoln Parish Sheriff's Fund, Statement of Cash Receipts and Disbursements for the Year Ended June 30, 1960**

<b>BALANCE AT BEGINNING OF YEAR</b>	<b>\$ 1,042.50</b>
<b>RECEIPTS</b>	
Criminal costs:	
District attorney	785.00
Clerk of court	400.50
Sheriff	422.00
Civil fees	1,780.40
Litigations, sheriff's sales, etc.	15,026.91
Cash bonds	1,930.00
Total receipts	<u>20,344.81</u>
Total	<u>\$21,387.31</u>
<b>DISBURSEMENTS</b>	
Criminal costs:	
District attorney	\$ 785.00
Clerk of court	400.50
Sheriff's salary fund	422.00
Civil fees to sheriff's salary fund	1,780.40
Litigations, sheriff's sales, etc.:	
Litigants	5,634.58
Registry of court	6,750.25
Civil fees to sheriff's salary fund	669.80
Clerk of court	907.80
Other sheriffs and clerks of court	100.30
Advertising	416.00
Storage and appraiser fees	302.19
Redemption of adjudicated property	17.50
Federal revenue stamps	27.50
Taxes	218.49
Cash bonds	1,955.00
Total disbursements	<u>20,387.31</u>
<b>BALANCE AT END OF YEAR</b>	<b>\$ 1,000.00</b>

Source: Audit Report of State Supervisor of Public Funds, Lincoln Parish Sheriff's Office, 1960, Exhibit B.

ture as full compensation for his duties. In addition, he has an official travel expense through the use of the automobiles purchased and maintained from the revenues in the salary fund.

## Department of Public Welfare

In addition to the parish governing bodies, another governmental agency that is recipient and disbursing of public revenues in Lincoln Parish is the parish office of the Louisiana Department of Public Welfare. As was stated previously, office space for this agency is furnished in the courthouse by the police jury. However, beginning July 1, 1960, the Department of Public Welfare pays \$200 per month to the police jury toward the costs of utilities and maintenance of the courthouse.

**TABLE 14.—Lincoln Parish Sheriff's Salary Fund, Statement of Revenue, Expenditures and Surplus for the Year Ended June 30, 1960**

<b>REVENUE</b>	
Commissions on taxes, licenses, etc.	\$80,380.96
Costs, notices, etc.	156.00
Civil and criminal fees	2,872.20
Court attendance	310.00
Representative allowance	1,000.00
Transporting prisoners and interdicts	868.25
Feeding prisoners	1,336.71
Total revenue	\$86,924.12
<b>EXPENDITURES</b>	
Salaries:	
Sheriff	\$9,000.00
Deputies	37,325.00
Other employees	10,800.00
Office supplies and expense	4,529.31
Purchase of automobiles	7,048.00
Gasoline and oil	3,118.17
Other automobile expense	1,357.73
Other travel expense	48.82
Transporting prisoners and interdicts	71.45
Feeding prisoners	1,336.71
Insurance and bond premiums	2,961.68
Association dues	288.00
Purchase of law enforcement equipment and supplies	615.94
Uniforms	903.00
Radio equipment and maintenance	1,371.89
Employer's contribution to social security	291.75
Total expenditures	\$81,067.45
EXCESS OF REVENUE OVER EXPENDITURES	5,856.67
SURPLUS AT BEGINNING OF YEAR	26,575.65
SURPLUS AT END OF YEAR	\$32,432.32

Source: Audit Report of State Supervisor of Public Funds, Lincoln Parish Sheriff's Office, 1960, Exhibit A.

The parish government does not provide any funds for the welfare program. All welfare funds received in Lincoln Parish are derived from the State Department of Public Welfare. A portion of these funds is provided to Louisiana by the United States government.

Data in Table 15 show that a total of \$1,539,023 was spent in Lincoln Parish by the welfare department in fiscal 1960. The federal contribution to the parish welfare program, amounted to \$991,131, or 64.4 percent of the total state welfare appropriation. The degree of federal participation varies for the different categories, however. Federal funds supplement state funds in the following proportions: old age assistance, 68.4 percent; aid to the blind, 59.8 percent; aid to dependent children, 77.7 percent; aid to permanently and totally disabled, 72.8 percent; administration, 44.7 percent; child welfare services, 21.4 percent; and foster care, 0.2 percent. General assistance is provided entirely by state funds.

**TABLE 15.—Public Welfare Funds Disbursed in Lincoln Parish, Louisiana, Fiscal Year 1959-1960**

Type of Aid	Total	Assistance		
		Money Grants	Medical Vendor Payments	Administration and Office Expense
Old age assistance	\$1,049,543	\$1,025,761	\$23,782	
Aid to the blind	28,879	28,550	329	
Aid to dependent children	215,349	214,398	951	
Aid to permanently and totally disabled	80,633	77,896	2,737	
General assistance	44,595	44,029	566	
Administration	74,984			74,984
Subtotal	\$1,493,983	\$1,390,634	\$28,365	\$74,984
Child welfare services	6,728			6,728
Foster care payments	38,312	38,312		
<b>TOTAL</b>	<b>\$1,539,023</b>	<b>\$1,428,946</b>	<b>\$28,365</b>	<b>\$81,712</b>

Source: Report from Director of Louisiana Department of Public Welfare.

State funds for the public welfare program are derived from the Louisiana sales tax of 2 percent on most retail purchases of tangible goods in the state, on goods stored for use in the state, and on commercial services. A total of \$547,892 of the \$1,539,023 of public welfare expenditures in Lincoln Parish in fiscal 1960 was furnished by the state out of sales tax revenue. In the same year, a total of \$481,155.07 was collected as sales taxes in Lincoln Parish.<sup>23</sup> The parish, therefore, received about \$66,737 more in welfare payments from the state (not counting the federal funds) than it paid to the state in sales taxes. The excess of receipts over sales taxes paid was about 13 percent of total state payments to the parish. This means that about 87 percent of the welfare revenue from the state was provided by sales taxes paid on purchases made in Lincoln Parish. When federal government participation is considered, only 31 percent of the total welfare payments in the parish in fiscal 1960 was accounted for by sales taxes collected in Lincoln Parish.

A summary of revenues to Lincoln Parish government agencies is presented in Table 16.

## Historical Trend in Public Revenues

An examination of the sources of revenue used by the Lincoln Parish governing agencies over a period of 30 years reveals trends and suggests problems associated with financing of local government. This survey considers trends based upon data reported for the years 1930, 1940, 1950, and 1960. The first was a year when national income was begin-

<sup>23</sup>*Annual Report of Louisiana Department of Revenue, Fiscal Year 1959-1960*, p. 19.

**TABLE 16.—Summary of Revenues to Lincoln Parish Governmental Agencies, 1959**

Police jury, property taxes .....	\$ 276,511.74
School board, property taxes .....	443,085.68
Total property taxes .....	\$ 719,597.42
Other taxes .....	327,586.16
Total taxes .....	\$1,047,183.58
Police jury, non-tax sources <sup>a</sup> .....	97,614.06
School board, non-tax sources <sup>b</sup> .....	1,772,442.61
Total, police jury and school board .....	\$2,917,240.25
Clerk of court .....	31,096.16
Tax assessor .....	22,200.00
Sheriff .....	86,924.12
Total, parish governments .....	\$3,057,460.53
Department of public welfare .....	1,539,023.00
TOTAL, ALL AGENCIES .....	\$4,596,483.53

<sup>a</sup>Business licenses, fines, fees, and state grants.

<sup>b</sup>State and federal aid.

ning to decline, as a prelude to the depression of the 1930's. But tax revenues of the local governments were slow to adjust and were continued in much the same pattern without regard to the business slump that became critical in the mid-30's. The year of 1940 was a year of mild recovery and the beginning of a decade of amazing economic revival resulting primarily from the demands of World War II which lasted from 1941 to 1945. The year 1950 was representative of the years of adjustment following World War II and its inflationary effects. The year 1959 was characterized by a slight recession prior to a period of economic growth and rapid expansion of gross national product predicted for the 1960 decade.

## Police Jury

Total revenue received by the Lincoln Parish police jury in 1930, exclusive of funds borrowed, was \$158,414, about 84 percent of which was derived from the property tax (Table 17). A gasoline tax levied by the parish accounted for the second largest source of funds, or 11 percent of the total. The severance tax furnished negligible income to the parish in 1930, amounting to only \$74, and state grants for public improvements were not available to Lincoln Parish in 1930 nor in 1940.

In 1940 total revenue received by the parish government was about \$4,000 less than that for 1930, amounting to \$154,708. The property tax provided about 75 percent of this, or about 10 percent less than its share 10 years previously. Revenues from the property tax, business licenses, fines and fees all showed decreases, while the gasoline tax yielded an increase of almost \$7,000 to parish income. An added source of income in 1940 was a tax on chain stores operating in Louisiana which the legislature levied in behalf of the parish governments. Lincoln Parish collected \$1,485 from this tax.



TABLE 17.—Revenue to the Lincoln Parish Police Jury, 1930, 1940, 1950, and 1960, Showing Percent Obtained from Each Source

Source	1930		1940		1950		1960	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Property tax:								
For roads	\$107,151		\$ 89,627		\$106,802		\$201,632	
Total	133,036	84.0	115,649	74.8	195,018	60.5	389,169	58.1
Gasoline tax	18,125	11.4	25,208	16.3	45,318	14.1	107,518	16.1
Severance tax	74	<sup>a</sup>	1,543	1.0	34,603	10.7	100,738	15.1
State grants-in-aid					31,790	9.9	32,045	4.7
Fines and fees	3,646	2.3	1,520	1.0	5,700	1.8	16,356	2.3
Business licenses	1,517	.9	700	.4	1,393	.4	1,076	.2
Chain store tax			1,485	.9	(1,438) <sup>1</sup>		(2,613) <sup>1</sup>	.3
Other	2,016	1.3	8,603	5.6	8,231	2.6	22,347	3.3
Total <sup>2</sup>	\$158,414	100.0	\$154,708	100.0	\$322,053	100.0	\$870,881	100.0

<sup>a</sup>Less than .1 percent.

<sup>1</sup>Dedicated to municipalities, but collected by parish.

<sup>2</sup>Less loans and interfund transfers.

The drop in ad valorem tax revenues between 1930 and 1940 reflects partially the trend in economic and social conditions in the state and parish during that period. Legislative changes imposed on assessment procedures during the depression years resulted in very low taxable property values and ad valorem tax receipts. Early in the decade of the 30's, the parish's agricultural lands were revalued to more nearly correspond with declining farm incomes. One amendment to assessment procedures passed by the state legislature required that, beginning in 1933, no increase in the assessed value of a farm could be made for 10 years regardless of capital improvements.

Many properties became tax delinquent and were adjudicated to the state via tax sales before 1940, and general economic conditions were not conducive to significant increases in ad valorem tax rates by the police jury. These factors combined to net the parish government a smaller property tax income in 1940 than it had received 10 years earlier.

An increase in gasoline consumption during the decade of 1930-40 resulted in an appreciable increase in gasoline tax revenue to the parish government. A change in this source had been created by the state legislature in 1936 when it abolished the authority of the parish to levy a two-cent gasoline tax. Instead, the state treasurer refunded a part of the state tax collected within the parish. Then, in 1938, the two cents refund was reduced to one cent, which was the prevailing refund rate in 1940, as compared with two cents per gallon in 1930. Despite this reduced rate, gasoline tax revenue to Lincoln Parish increased about 39 percent from 1930 to 1940.

An examination of receipts and expenditures of the police jury for 1930 and 1940 reveals that short term borrowing by the government from local banks was the consequence of a lack of revenue to support both the cost of the services and the repayment of money borrowed for government functions in previous years. For example, maintenance of the road system in 1940 required the expenditure of about \$68,000. The combined ad valorem, gasoline, and severance taxes dedicated to road construction and maintenance provided only \$62,000. At that time there was no direct allocation to the parish by the State Department of Highways for the road system. The police jury found it necessary to borrow \$14,000 from a local bank to cover the cost of maintaining the road system and to repay previous obligations incurred for road purposes.

Some interesting features of the 1930 budget in comparison with that of 1940 might be noted. Some general fund expenditures were made to "paupers" and "widows" in 1930, while these had disappeared from the expense items of 1940. This was probably a result of the public welfare programs of the federal and state governments during this decade. This raises an unanswerable question as to what the extent of demands upon the revenues of the parish government would have been for such purposes in the depression years in the absence of federal government aid for welfare programs.

During the decade of 1940-1950, gas and oil were discovered in some parts of Lincoln Parish. Consequently, parish revenues for the year 1950 show a phenomenal increase in severance taxes, from \$1,543 in 1940 to \$34,603 in 1950. Although timber production was also on the increase, reflecting a beginning of the transition from row-crop farming to forestry in some areas, a legislative act of 1948 deprived the parishes of the timber severance tax. This act was subsequently repealed in 1954.

Income from the property tax was up to \$195,018, an increase of about 69 percent. Assessed value of property had increased considerably over the decade, largely as a result of the urbanization within the parish, particularly around the city of Ruston. Much of the upgrading resulted from the reclassification of agricultural land into country and city lots. The value of business assets was also increasing rapidly. An increase of four mills in the ad valorem tax rate was made in 1948 to provide a sinking fund for bonds issued to finance the construction of a new courthouse.

Income from fees and fines was about four times as large in 1950 as in 1940. The fund available for road maintenance and construction had increased from \$76,000 to \$141,000, primarily as a result of three changes: a \$30,000 appropriation from the state legislature which was begun on an annual basis in 1948, a doubling of income from the gasoline tax, and a \$21,000 increase in the ad valorem tax revenue for road purposes.

The police jury received \$3,000 in 1950 from interest on United States treasury bills that had been purchased during the war years, reflecting a change from a status of local debtor during the previous decade to one of creditor holding a sizable amount of United States government securities in 1950.

One reduction in revenue noted in 1950 was the chain store tax which had been available to the parish government in 1940, but had been dedicated by 1950 to municipalities by the legislature, although it remained a responsibility of the parish government to collect.

Total revenue of the Lincoln Parish Police Jury in 1950 amounted to \$322,053, more than twice the amount received 10 years earlier. The proportion of this furnished by the property tax was 60.5 percent or about 15 percent less than the share from this tax in 1940.

By 1960 total income received by the police jury amounted to \$870,881, an increase of about 170 percent over 1950. The share of the property tax going to the police jury increased by \$194,151. The severance tax had increased \$66,000, while fees and fines furnished almost three times as much revenue as they did in 1950. This was the second time in two decades that total general fund revenue had doubled.

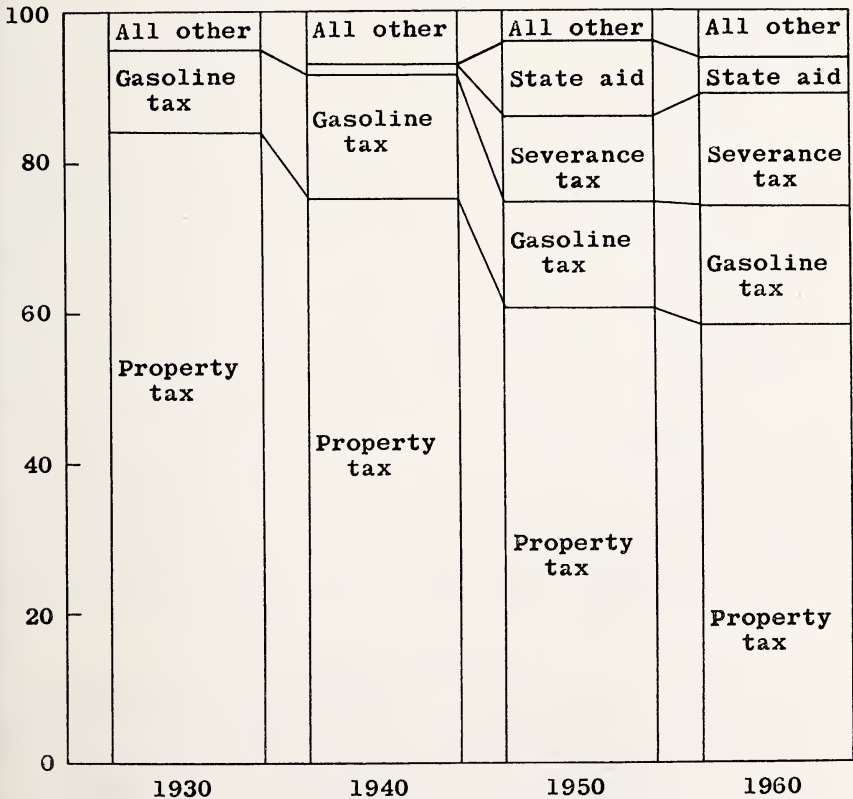
Increased funds for road construction and maintenance resulted largely from an increase in gasoline tax revenues, an increase in ad valorem tax income and a small increase in state grants. Beginning in 1959, an additional ad valorem tax rate of four mills was levied for the construction of a hospital facility, adding about \$25,000 to revenue.

In the meantime, assessed value of taxable property had more than doubled because of the rapid residential development in the urban and suburban areas of the parish. These factors combined to give the large increase in property tax revenue during the period.

Income from the gasoline tax in 1960 was up by about 137 percent from 1950, with no increase in the tax rate, while the severance tax revenue had nearly tripled since 1950. In 1954, the legislature amended the severance tax law so as to return to the parish 75 percent of the tax collected on timber.

State grants for roads and elections were up by less than 1 percent. The chain store tax continued to be collected by the parish, but was dedicated to municipalities wherein the stores were located. The only source for which a reduction in revenue was noted during the 1950 decade was business licenses. This was partly because of the expansion of city limits which gave the revenue from business licenses in the affected area to the respective municipalities.

**Percent**



**FIGURE 2.—Relative importance of various sources of revenue to the Lincoln Parish Police Jury.**



The most significant changes in the revenue structure of the parish government over the 30 year period were: (1) an increase in ad valorem tax rates; (2) a huge increase in revenue from the consumption of gasoline through the gasoline tax; (3) increased allocations by the state legislature for the maintenance of a road system. (4) the discontinued borrowing from local banks in preference to the issuance of bonds secured by the general credit of the parish and sold in the open bond market, thus indicating a strengthening of the credit position of the

Percent

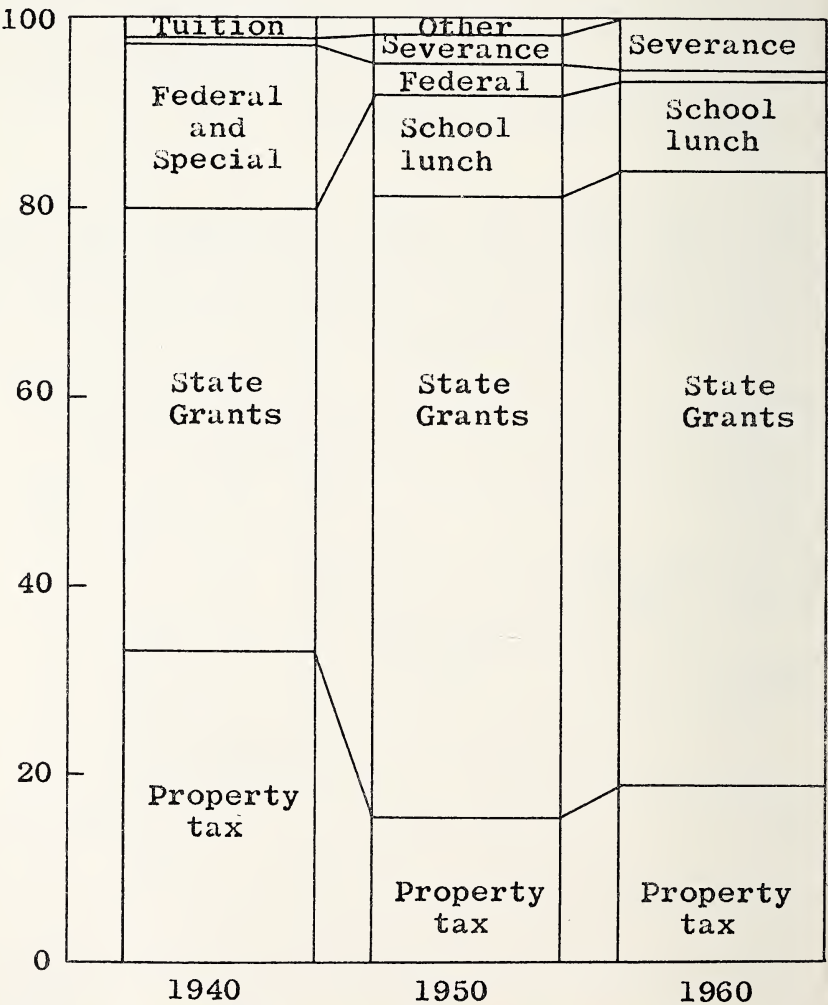


FIGURE 3.—Relative importance of various sources of revenue to the Lincoln Parish School Board.

local government after the depression years; (5) a decreasing percentage of total revenue represented by the property tax; and (6) sizable surpluses at the close of each year's fiscal operations in recent years in contrast to deficits in the 1930 decade. Trends in importance of various sources contributing to police jury revenues are indicated in Figure 2.

### **Parish School Board**

The earliest available data concerning revenue and expenditures of the Lincoln Parish School Board was for fiscal year 1940. Sources and volume of revenue for fiscal 1940, 1950, and 1960 are presented in Table 18. Observed changes in sources of revenue since 1940 include a decline in the relative importance of the local property tax, an increase in the relative importance of state grants-in-aid, and the addition of funds for the augmentation of a program of hot lunches served to school children without regard to financial need (Figure 3).

School board revenues derived from the local property tax increased by nearly four times between 1940 and 1960, but declined in its share of the total from one-third in 1940 to 19 percent in 1960. During the same period, state grants increased more than eight times and changed from 47 percent of total revenue to 65 percent. In 1940 federal and special grants comprised about 18 percent of total income but less than 2 percent in 1960. About seven eighths of the funds in this category in 1940 were those contributed by the Public Works Administration for building maintenance and construction costs in the Ruston School District. Severance taxes increased appreciably from 1940 onward; whereas they contributed nearly \$1,500 for school purposes in 1940, the contribution by 1960 was over \$126,000. As a percentage of the school budget, the change was from less than 1 percent to more than 5 percent.

Funds for the school lunch program increased about 50 percent from 1950 to 1960, but decreased about 1 percent as its share of total revenue. Funds were not provided in this category in 1940.

Total revenue available to the school board in 1960 was a little more than six times the amount available in 1940, and a little less than twice the amount in 1950. Most of the increase resulted from favorable consideration on the part of the state legislature in making additional funds available to the parish school system through the State Board of Education. A comparison of revenues and expenditures of the school board and police jury is shown in Figure 4.

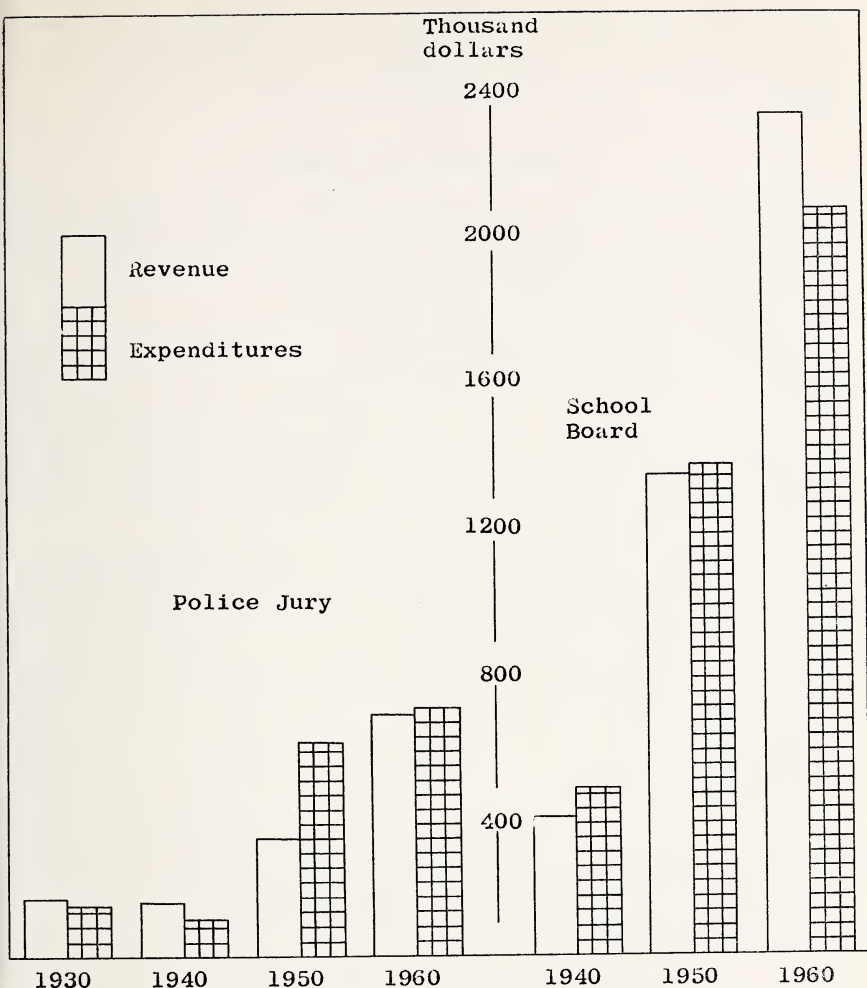
### **Other Agencies**

Revenue sources for the offices of sheriff, clerk of court, and tax assessor of Lincoln Parish have not changed over the period of time studied. However, the state legislature has at times raised the amount to be charged for fees and commissions from which revenue is derived. Amount of services rendered has also increased. Consequently, the amount of revenue received, as well as expenditures, advanced by rela-

TABLE 18.—Revenue to the Lincoln Parish School Board, Fiscal Years 1940, 1950, and 1960, Showing Percent Obtained from each Source

Source	1940		1950		1960	
	Amount	Percent	Amount	Percent	Amount	Percent
State grants	\$175,730	47.4	\$ 887,508	67.0	\$1,523,161	65.0
Property tax	119,060	32.2	210,626	15.9	443,086	18.9
Federal special grants	65,600	17.7	35,227	2.6	35,641	1.5
Severance tax	1,482	.4	31,438	2.4	126,301	5.4
Tuition from other schools	6,708	1.8	21,204	1.6		
School lunch fund			136,465	10.3	213,640	9.1
Other	1,562	.4	2,004	.2	470	<sup>a</sup>
Total	\$370,142	100.0	\$1,324,472	100.0	\$2,342,299	100.0

<sup>a</sup>Less than .1 percent.



**FIGURE 4.—Revenue and expenditures of Lincoln Parish Police Jury and School Board, census years 1940-1960.**

tively large amounts each decade. These changes are shown in Table 19. Where expenditures exceed revenue in the years given, funds were available from surpluses built up in prior years. Only at the end of a term of office does the incumbent return the surplus to the police jury.

### Some Revenue Problems

The previous chapters have presented facts pertaining to sources of revenue and items of expenditure for Lincoln Parish.

The revenue sources are somewhat traditional. New sources, in keeping



with a changing economic structure in the parish, are very reluctantly instituted. Consequently, certain problems and implications in light of growing demands for future financing are becoming apparent. This chapter examines some of these areas of concern.

## Problem of Assessment

It has been shown that the general property tax now accounts for a little less than half of the revenue to the central parish government and about one-fifth of total school funds. Administration of this tax involves the evaluation and assessment of property by a locally elected tax assessor and the Louisiana Tax Commission. This process has been variously criticized as creating inequities in the tax burden among property owners. In a study of assessment-sales ratios in six North Louisiana parishes, including Lincoln, St. Clergy and Corty found among other inequalities that "properties with a sales value of \$2,000 were assessed at a ratio two and a half times as high as properties with sales value at \$8,000 or more."<sup>24</sup> In Lincoln Parish the ratio of assessment to sales

**TABLE 19.—Amount of Revenue and Expenditures of Offices of Sheriff, Clerk of Court, and Tax Assessor of Lincoln Parish, Louisiana, by Decades, 1930-1960<sup>1</sup>**

	1930	1940	1950	1960
Sheriff				
Revenue	\$14,747 <sup>2</sup>	\$22,339	\$32,038	\$86,924
Expenses	15,529	23,666	32,980	81,067
Clerk of court				
Revenue		12,015	23,874	31,096
Expenses		11,474	21,128	34,450
Tax assessor				
Revenue	6,000 <sup>2</sup>		14,500	22,300 <sup>3</sup>
Expenses	5,835		13,472	27,507 <sup>3</sup>

<sup>1</sup>Fiscal year, except assessor's account is based on calendar year.

<sup>2</sup>Carried in budget of police jury for calendar year 1930.

<sup>3</sup>Calendar year 1959.

value for 143 tracts ranged from less than 9 percent to more than 90 percent. While efforts are being made in some parishes of the state to improve assessments, it is expected that current low rates of assessment relative to market value will continue to exist in Lincoln Parish, in the absence of a state-wide campaign mutually agreed upon by the assessors and willfully supported by the electorate.

The constitution and laws of the state are very specific in spelling out the rules for assessment and valuation of property for tax purposes. Article 10, Section 1, of the constitution states that "no property shall be assessed for more than its actual cash value, ascertained as directed by law . . . ." Section 12 of Article 10 requires that "all real estate,

<sup>24</sup>St. Clergy, C. J. and Corty, F. L., *Assessment of Rural Properties in North Central Louisiana*, Louisiana Agricultural Experiment Station Bulletin No. 538, March 1961, p. 5.

exempt as well as taxable, shall be valued at actual cash value, listed on the assessment rolls, and submitted to the Louisiana Tax Commission."

The basic problem of assessment hinges on the relation of *actual cash value* to *actual assessed value* of property. The constitution is exacting in its requirements of valuation at actual cash value and assessment at no more than cash value. However, the determination of "actual cash value" of a unit of property is difficult. Title 47, Section 1702, Revised Statutes of 1950, defines actual cash value, as follows:

'Actual cash value', or 'actual cash valuation', means the valuation at which any real or personal property *is assessed for the purpose of taxation*, (author's emphasis) after the assessing authorities have considered every element of value in arriving at such evaluation.

According to this, the value which the assessor places on the piece of property comes to be the actual cash value for tax purposes. The same statute further states that the

price at which any piece of real estate or personal or movable property shall have been sold for cash in the ordinary course of business, free of all encumbrances, otherwise than at forced sale, *shall be evidentiary only*, and be considered with other factors in determining the actual cash value for assessment purposes.

Such legislative stipulations for determining values of property for tax purposes are of little aid to the assessor, since many factors can legally be considered. It is not mandatory that the price at which a unit of property was sold be used as the value for tax purposes; it is suggested as evidence only. It assumes that each piece of property has at some time been sold for cash by a willing seller to a willing buyer and that this price helps indicate the true value of the property. Following this method, the assessor knows the value for the year of sale but can only guess subsequent values until it is sold again.

Such procedure for determining value would be useful only in case of transfers in the immediate past. Most real estate in the parish has not been sold in many years, making it impossible to have a recent sale price for every tract. An alternative to this is the use of sample sales in the same vicinity as an indication of value of like pieces of property. This is provided for in Section 1958 of Title 47, Revised Statutes of 1950, which requires that:

The assessor shall also inquire into the purchase price paid for real property when acquired by the owner, and ascertain and acquaint himself with any sales or transfers of property of like description or value made or effected in the vicinity, within the year or years next preceding the listing for assessment then being made; and the price paid for property at such sales or transfers *shall be considered* by the assessors in determining the value of the real property to be listed for assessment.

The assessor, therefore, is not in violation of law when he values property for tax assessment purposes at less than market value. While it would be easy to use sale price as value for many new subdivisions and commercial tracts sold in recent years, this would mean a much higher

taxable value on them than on many equally valuable properties, which have not been transferred in several generations.

The parish assessor normally visits each piece of property when it is first placed on the assessment rolls. If it is residential, he looks at the size of the house and of the lot; then he estimates its value relative to the assessed value of other units in the same area. In the case of commercial real property, he considers its size and type in relations to other properties in the same vicinity.

The problem of equitable assessment is highlighted by the following data. A standard measure for judging whether equitable assessment values have been assigned is to examine the ratio of assessment to the sale price of the property concerned. By dividing the assessed value by the sale price, the "assessment ratio" is found. This ratio states the percent of actual sale value represented by the assessed value. A comparison of the assessment ratios among different types of property shows the degree of uniformity of assessments. A study of 143 properties sold in Lincoln

**TABLE 20.—The Proportion of 143 Rural Tracts of Land Sold in Lincoln Parish, Classified as to Rate of Assessment, 1953-1958**

Rate of Assessment	Percent of Tracts
0- 9 .....	16
10-19 .....	54
20-29 .....	15
30-39 .....	7
40-49 .....	3
50-59 .....	3
60-69 .....	0
70-79 .....	1
80-89 .....	0
90-Over .....	1
Total .....	100

Source: St. Clergy, C. and Corty, F. L., *Assessment of Rural Properties in North Central Louisiana*, Agricultural Experiment Station Bulletin No. 538, Louisiana State University, Baton Rouge, Louisiana, March 1961, Table 2.

**TABLE 21.—Weighted Average Rate of Assessment as Related to Property Values, 143 Rural Tracts, Lincoln Parish, 1953-1958**

Sale Value Per Property	Rate of Assessment
(Dollars)	(Percent of Sale Value)
Under-2,000 .....	27
2,000-3,999 .....	16
4,000-5,999 .....	16
6,000-7,999 .....	14
8,000-Over .....	12

Source: St. Clergy, C. and Corty, F. L., *Assessment of Rural Properties in North Central Louisiana*, Agricultural Experiment Station Bulletin No. 538, Louisiana State University, Baton Rouge, Louisiana, March 1961, Table 3.

Parish from 1953 to 1958 revealed a wide variation in assessment ratios within the parish (Tables 20 and 21).

The Public Affairs Research Council of Louisiana, in a 1958 state-wide study of assessment ratios for individual parishes including Lincoln Parish, reported an average assessment ratio for 114 properties as 16.9 percent.<sup>25</sup> Urban improved residential parcels averaged 20.1 percent, compared with 10.3 percent for urban unimproved residential and 9.3 percent for woodland tracts. A comparison of the average ratio for Lincoln Parish with that of other parishes in the state is presented in Table 22.

## Problem of Exemptions

Another serious problem affecting local revenue is that of exemptions from the ad valorem property tax. Two significant types of exemptions exist in Louisiana: homesteads, and exemptions for new or expanding industries. In addition to these, certain specific pieces of property are exempted for all taxpayers. Article 10 of the constitution and Section 1703 of Revised Statutes of 1950 are the authority for exemptions.

### Homestead Exemptions

In 1936, the homestead exemption amendment was added to the constitution and further amended in 1938. The first \$2,000 of assessed value of each home, rural and urban, is exempt from property taxes provided the owner resides on the property. For veterans of World War II, the exemption is \$5,000 for ten years ending in 1964; for veterans of World War II plus Korean War, the exemption is \$5,000 for ten years ending in 1969. This includes all land adjoining the land where the residence is located, and separate tracts used for a field, pasture, or garden.

At the time of adoption of the homestead amendment assessed values of most homes, especially in rural areas, were such that the \$2,000 exemption was sufficiently high to excuse most property owners from paying any property taxes. Ordinarily this would deprive the local government of a major source of income. To remedy this, the legislature provided for a "property tax relief fund" from which the state would pay the parishes the amount of taxes lost each year through homestead exemptions. The property tax relief fund is supplied by (1) the state income tax, (2) the alcoholic beverage tax, and (3) the public utilities tax, in that order. The amount of exemptions cannot exceed the amount available in the relief fund each year.

In Lincoln Parish, from 25 to 30 percent of the total ad valorem taxes due each year are paid from the property tax relief fund. In 1960, this proportion was 26.5 percent (Table 23). When only the taxes due from locally assessed real estate (excluding tax commission assessments such as public utilities) are considered, the percentage paid from the fund approximates 55 percent each year.

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<sup>25</sup>Public Affairs Research Council of Louisiana, Inc., *Louisiana Property Tax*, Volume II, Baton Rouge, Louisiana, October 1960, p. 122.



TABLE 22.—Parish Average Assessment Ratios

Parish	Ratio	Parish	Ratio
Caddo	31.5%	Webster	16.4%
Orleans (District 1)	28.0	St. James	16.1
Orleans (District 3)	25.9	Pointe Coupee	15.9
Orleans (District 7)	25.5	Acadia	15.5
Orleans (District 6)	24.7	Red River	15.5
East Carroll	24.5	West Baton Rouge	15.5
Orleans (District 2)	24.5	Franklin	15.4
Assumption	23.5	St. Bernard	15.4
St. Mary	23.5	DeSoto	15.0
Iberia	23.1	Union	14.8
Orleans (District 4)	22.3	St. Tammany	14.6
Richland	22.3	Calcasieu	14.5
Tensas	22.0	Ascension	14.4
West Carroll	21.5	Washington	14.1
Orleans (District 5)	20.7	Winn	13.8
Iberville	20.6	Beauregard	13.2
Madison	20.2	Livingston	13.1
St. Landry	20.2	Jackson	12.8
Grant	20.1	Lafourche	12.5
West Feliciana	20.1	St. Charles	12.0
Bienville	19.6	Sabine	11.5
Natchitoches	18.9	Vermilion	11.3
Ouachita	18.9	Concordia	10.9
Bossier	18.8	Tangipahoa	10.8
St. John	18.1	Jefferson Davis	10.7
Morehouse	18.0	Rapides	10.7
Avoyelles	17.8	St. Martin	10.2
Catahoula	17.5	East Feliciana	10.1
East Baton Rouge	17.1	Jefferson	9.8
Plaquemines	17.1	Evangeline	9.3
Claiborne	16.9	Terrebonne	8.7
Lincoln	16.9	Allen	8.3
Vernon	16.6	St. Helena	8.2
Caldwell	16.5	Cameron	7.2
LaSalle	16.5	Lafayette	7.1
Median	16.5		

Source: Public Affairs Research Council of Louisiana, Inc., *Louisiana Property Tax Summary and Recommendations*, Baton Rouge, Louisiana, October 1960, page 7.

While the homestead exemption does not reduce parish revenues, it does shift a big portion of the burden to citizens all over Louisiana who pay the above-listed taxes, chiefly the income tax. Many property owners in the parish have their entire ad valorem tax burden paid from this source, while they receive the benefit of the expenditures. The number of taxpayers in Lincoln Parish in 1959 was 8,612, of which 4,359 had homestead exemptions, either on part of assessed value, or on the total amount of it.

Another effect of the homestead exemption is that it allows residents to vote taxes which they can shift to others, especially to public utilities and commercial interests. Homeowners can count their entire

assessment for voting in property tax elections, although all or a part of it is under homestead exemption. In a recent school bond election, one of the important points which the proponents expressed in favor of the tax raise was the fact that over 25 percent of the increased tax would be covered by homestead exemptions, while about 30 percent would be paid by public utilities, leaving only 45 percent to be paid by the voters. The bond issue carried by a large majority.

### Industrial Exemptions

These are authorized by Article 10, Section 4, paragraph 10 of the state constitution. This section permits the State Board of Commerce and Industry to enter into an agreement with the owners of any new manufacturing firm making additions to its plant whereby for a period of five years the firm shall be exempt from all property taxes. The contract may be renewed for another five years, a maximum of ten years from date of original contract.

Under this exemption local governments lose a significant amount of property taxes. This amount is not refunded to the local governments from state funds. In 1960, 11.3 percent of the assessed value of all property in Lincoln Parish was owned by manufacturing firms enjoying the benefits of tax exemptions under a 10 year contract with the state. If these plants had paid taxes at the rate levied in 1960, the parish would have received \$141,114 more in revenue for schools, roads, and other functions.

The purpose of the industrial plant exemption plan is to induce industry to locate in Louisiana in preference to other states. This appears to be a valid inducement. However, as all states begin to grant

**TABLE 23.—Assessed Value of All Property, Lincoln Parish, 1960**

Kind of Property	Assessed Value	Percent of Total Assessed Value
<b>Taxable:</b>		
Personal: Mercantile	\$ 6,891,380	23.4
Public utilities	5,692,310	19.0
Other real estate	9,778,270	33.2
Total taxable	\$22,271,960	75.6
<b>Non-taxable, legally exempt:</b>		
Manufacturing plants, under 10-year contract	2,505,222	8.5
Other: public, church etc.	4,677,200	15.9
Total non-taxable	7,182,422	24.4
<b>Total assessed value</b>	<b>\$29,454,382</b>	<b>100.0</b>
Number of taxpayers		9,127
Number of homestead exemptions		4,963
Value of homestead exemptions		\$5,914,640.00
Amount of taxes paid by state on homestead exemptions		\$ 284,341.63
Amount of taxes paid directly by taxpayers		\$ 789,446.20
<b>Total taxes paid</b>		<b>\$1,073,787.83</b>

similar special tax privileges this inducement loses its force. Other plans have to be introduced, such as the offering of plant facilities either free or on a credit purchase basis, in addition to the tax exemption. The community or state is not encouraged to abandon this tax exemption privilege, however, in spite of the conformity of neighboring areas, because to do so would immediately put the community at a tax disadvantage. Thus, a situation has developed which results in loss of revenue to the parish, with no particular inducement provided for new industries.

### Other Exemptions

Section 4 of Article 10 of the constitution lists a number of other items which are exempt from taxation. These include all public property; the property of religious, charitable, and educational institutions; monies and credits; agricultural products; all cattle, livestock, and poultry; farm implements up to a value of \$500; one wagon per taxpayer; all motor vehicles (except for municipalities); boats using gasoline as motor fuel; bridges built under federal government loan; property of electric cooperatives for 25 years; and all household furniture and musical instruments.

If all property exemptions constitutionally provided had been cancelled in 1960, Lincoln Parish would have received approximately \$542,395 more in tax revenue (Table 24). This does not take into account the exemption of two mills of parish taxes for residents of Ruston, nor does it consider the static value of forest lands resulting from the forestry taxation laws.

### Effect of Change in Land Classification

Land use in Lincoln Parish has changed considerably over the past 30 years. Until about World War II the parish was predominantly agricultural, with row crop farming dominating the scene. The decline of agriculture since that time is in direct contrast to the growth of industry, forestry, and urban development. The percent of land area in farms

**TABLE 24.—Additional Revenue that Could Be Made Available to Lincoln Parish, if Property Exemptions Were Cancelled (Based on Assessed Value and Tax Rate for 1959)**

Type of Exemption	Assessed Value	Tax Rate	Potential Revenue
	(Dollars)	(Mills)	(Dollars)
Manufacturing plants	4,033,565	41.5	167,393
Public and church	4,677,200	41.5	194,104
Autos and other personal property <sup>1</sup>	4,359,000 <sup>2</sup>	41.5	180,898
Total	13,069,765		542,395

<sup>1</sup>See Table 23.

<sup>2</sup>Value estimated by the author by assigning \$1,000 worth of autos, furniture, and other personal effects to each of 4,359 property owners who claimed homestead exemptions in 1959. This is probably a lower value than would prevail if the property were counted and listed on the assessment rolls.

declined from a peak of 83 percent in 1940 to 39 percent in 1960 (Table 25). Number of farms declined from about 3,000 in the decade prior to World War II to a low of 835 in 1960, with less than half as many acres in farms as in 1930 and 1940. Acres of cropland harvested in 1960 were about one-twelfth that of 1940. What effect has this decline of agriculture had on revenue to the parish from the property tax?

Assessment regulations require that lands for agricultural use be classified for valuation purposes into Class A, Class B, and Class C lands. Class A is the best and most valuable land, Class B is next best, and Class C is the poorest quality agricultural land. This classification is for all of the land in the parish rather than for a particular taxpayer's land. Each taxpayer may have one or more classes.

Assessment values are highest for Class A and lowest for Class C land. For example, in 1945 Lincoln Parish had 7,555 acres of Class A land valued for assessment at \$15.12 per acre, 28,814 acres of Class B land valued at \$10.90 per acre, and 56,859 acres of Class C land valued at \$8.43 per acre.

Many of the farms abandoned or converted to forestry use after World War II were reclassified for assessment purposes. Idle land was usually classified as miscellaneous or pasture land at a reduced price per acre. As properties sold, they were reassessed at a value ranging from 10 to 20 percent of selling price. When other lands were turned into timber production, they were eligible for classification as forest lands and subject to a lower assessed value per acre. As some of the farms near towns became urbanized, they were reassessed as country-lot or city-lot rates, which increased the assessed value (Revised Statutes 47:1958) of the land formerly assessed as a farm. Added improvements helped increase the assessments still further. As city limits expanded to encompass more land area, assessed values increased again.

These changes in land use, particularly the rapid expansion of urban and suburban areas, in Lincoln Parish have resulted in a total increase of assessment values for the parish (Table 26). Even if the millage

**TABLE 25.—Population and Farm Land Statistics, Lincoln Parish, Louisiana, by Decades, 1930-1960<sup>1</sup>**

	1930	1940	1950	1960
Population, number	22,822	24,790	25,782	28,535
Land area, acres	302,080 <sup>2</sup>	300,160	300,160	300,160
Percent in farms	81.2	82.8	62.9	39.4
Acres in farms	245,269	248,598	188,656	118,261
Number of farms	3,396	2,842	1,949	835
Cropland harvested, acres	93,664	88,699	30,741	7,398
Value of farms:				
Total, dollars	7,690,365	5,226,445	9,589,080	14,017,980
Per farm, dollars	2,265	1,839	4,920	16,788

<sup>1</sup>Data on land and farms from U. S. agricultural censuses of preceding year.

<sup>2</sup>Larger than for succeeding decades because of adjustments made by a resurvey conducted just prior to the 1940 census.



**TABLE 26.—Assessed Values of Selected Types of Property and Total Property Taxes Levied in Lincoln Parish, Louisiana, 1930, 1944, 1950 and 1958**

Class of Property	1930	1944	1950	1958
	Dollars	Dollars	Dollars	Dollars
Agricultural lands:				
Class A	188,130	115,290	112,300	94,030
Class B	407,500	306,650	318,820	286,800
Class C	464,210	478,630	481,430	477,170
Pasture lands	259,900	226,470	247,990	242,100
Suburban lands	109,050	47,230	41,060	26,590
Forest lands:				
Cutover pine	0	19,130	29,760	37,690
Cutover cypress	0	0	5,210	5,740
Reforestation	a	0	0	1,360
Woodland	785,150	595,350	551,900	b
Miscellaneous lands	0	1,270	4,210	549,630
Country lots	51,300	53,890	160,250	179,220
Improvements	a	211,730	552,670	993,700
City lots	770,750	753,370	1,013,350	1,294,250
Improvements	1,532,430	1,578,980	2,745,090	4,482,530
Public Service				
Corporations	1,850,229	2,391,739	4,086,708	5,320,900
All other property	3,004,670	1,104,022	2,687,999	7,280,500
Total Assessment	9,423,319	7,883,751	13,038,747	21,272,210
Index of Change:	1930=100	83.7	138.4	225.7
Taxes levied:				
Local	303,680.20	248,638.17	480,026.05	722,869.82
State	54,184.23	45,331.56	74,975.56	104,202.84
Total	357,864.43	293,969.73	555,001.61	827,072.66
Index of Change:	1930=100	82.1	155.1	231.1

<sup>a</sup>No classification by the tax commission.

<sup>b</sup>Classification discontinued, now included as miscellaneous land.

rate had remained constant, then, parish revenues from the property tax would have shown a total increase. By increasing the tax rate, revenue was even further increased. Table 26 shows the change in total assessment and in taxes levied in the parish over selected years.

### Effect of Change in Age Composition of Population

The population of Lincoln Parish increased by 2,753, or about 11 percent during the 1950-60 decade, compared with an increase of 21 percent for Louisiana. Age groups contributing to this increase were those of 5 to 24 years and 45 or more years. Persons 85 years and over increased from 51 to 175. Those under 21 years increased by about 2,000 persons. Decreases were observed in the ages under 5 years and 25 to 44 years. What effect will these changes have on revenue needs in the future?

While the parish as a whole increased by 2,753 persons, the city of Ruston alone showed an increase of 3,619 persons, thus accounting for most, if not all, of the parish growth. The larger figure is explained by the expansion of city boundaries during the decade. All wards except Ward 1, in which Ruston is located, showed a decrease from 1950 to 1960. Analysis of the functions of the central parish government reveals that little, if any, change in the revenue-expenditure composition of the police jury will result from the changing population because its major item of expense has been road construction.

The increase in the population in the older age groups could conceivably create a need for expanded hospitalization facilities. Since the parish embarked on a hospital construction program just prior to this study, such revenue and costs have been included in the computation of present needs. No expanded costs for this program are anticipated during the next decade, because it is now in the process of leasing the facilities to a separate hospital administration which will support the operation of the hospital from its own revenues.

More aging persons surely will mean a greater need for so-called "welfare" benefits in the future. However, it is not likely that this program will ever again be assumed by the parish government, but will continue to be supported by the state and federal governments.

The 19 to 24 age group will undoubtedly lead to some family formations and an increase in home ownership during the next decade which could augment property tax revenue to the parish government. The growing families will likely make demands on the local government for new services, such as a public library, more recreation facilities, and civil defense activities, which have not been included as a public service in prior years. In fact, at this writing, the police jury is preparing for the first time to place in its budget an expenditure item for salaries and office facilities for a parish civil defense director on a permanent basis.

The increase in the age group of 5 to 19 years will have an impact on revenue needs of the parish school board. More teachers will be necessary during the next decade. If present trends continue, parish property owners can expect increased demands for property tax revenues with which to support new school construction and expansion of existing plants. As long as the number of school-age youths grows, even with consolidation of schools, new construction will be necessary. If the state legislature should ever reduce its contributions to the parish school system, there will be further need for additional local taxes for the school board. This, however, is not anticipated by the authors. Rather, an increase in state grants to the parish for teachers' compensation and other costs is predicted, thus keeping the amount of local financial support for parish schools at a relatively low percentage about equal to that which now prevails.

## Conclusions and Implications

Total revenues expended for governmental functions in Lincoln Parish amounted to slightly more than \$3 million (excluding \$1.5 million for public welfare) in 1959 compared with \$559,000 in 1940. The big increase in revenues occurred in the form of state grants, and these were primarily for the parish school system. For example, the Lincoln Parish School Board received \$175,730 from the state in 1940 and by 1960 this amount had jumped to \$1,523,161, an increase of 767 percent. The total parish revenues increased by more than 400 percent during the same 20-year span.

Assuming about a 200 percent increase in the next 20 years, parish revenue needs would approach \$9 million in 1980. It is not likely that property taxes will increase accordingly. Instead, one might expect increasing dependency on state grants-in-aid and the introduction of local sales taxes or other new sources of revenue.

Regarding the use of a local sales tax, the parish government could easily raise nearly 50 percent of the amount of revenue received in 1959 by a tax at the 1 percent level.

According to its annual "Survey of Buying Power," *Sales Management* estimates total retail sales for 1960 in Lincoln Parish at \$26,096,000.<sup>26</sup> Exempting the sales of \$3,078,000 for gasoline stations (to allow for reduction of a sales tax where the gas tax already applies), \$23,018,000 retail sales are given. Applying a one percent sales tax to this, the parish would receive \$230,180 for one year, an amount equal to about 40 percent of the revenue received from all sources combined in 1959, and equal to nine-tenths of the revenue yield of the property tax for police jury functions.

Although sources of revenue remained the same over the past 20 years, their relative importance in terms of contributions to parish government changed appreciably. Property taxes contributed 45 percent of the public funds in 1940 but only 26 percent in 1960. On the other hand, state and federal aid accounted for 43 percent of the funds in 1940 and 61 percent in 1960. Severance tax revenues in 1940 were relatively insignificant, less than 1 percent, but with oil and gas development and increased harvest of forest products they accounted for about 7 percent of the total revenues in 1960.

Although gasoline tax revenues have more than quadrupled in 20 years, their relative importance has dropped from 5 percent to 3 percent. In like manner, proceeds from fees, fines, licenses, etc., doubled during the period 1940 to 1960, but their importance decreased from 6 to 2 percent.

Disregarding the parish \$1.5 million public welfare program, which is administered entirely by the state, Lincoln Parish relies upon the state for almost two-thirds of the financial support required for other

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<sup>26</sup>Reddock, James W., *Louisiana Buying Power*, *Louisiana Business Review*, July 1961, Vol. 25, Number 7, p. 20.

public functions. Only 20 years earlier the state and federal aid amounted to only 43 percent.

Apparently changes in land use, resulting from change of cropland to pasture or forestry, have not reduced the total revenues derived from property taxes. Some reclassification and downgrading for assessment has taken place and, although ad valorem tax rates have increased slightly, the increased revenues from property taxes may be more aptly explained by the development of new suburban properties whose increasing values more than offset the losses resulting from downgrading the cropland. As farming continues to give way to forestry, the rural property tax base will diminish and more and more reliance will be placed upon outside help. In this respect, the homestead exemption deserves a brief comment.

In Lincoln Parish, about 55 percent of the locally assessed property taxes due each year are paid from the state's property tax relief fund because of the homestead exemption. Although, the homestead exemption does not reduce the tax revenues available to the parish, it does shift a great share of the tax burden to citizens throughout the state.

Another result of the homestead exemption is that it encourages residents to vote more liberally for higher tax rates since by virtue of the exemption they will generally be spared any increase in taxes and the increased burden is shifted to the state property tax relief fund.

Population trends in the parish point to an increase in the school age groups (5 to 19 years) and in the older age groups. Thus it is expected that added revenues will be needed for school purposes and for old age assistance. Those two areas have traditionally been supported by state and federal funds, and increasing assistance from these sources will undoubtedly be necessary.

Public revenues for Lincoln Parish have been more than adequate over the past few years, as evidenced by the sizeable surplus funds carried by the various governmental agencies from one year to the next. The police jury has been able to set aside a reserve almost sufficient to cover one year's needs. The offices of tax assessor, sheriff, and clerk of court have also accumulated substantial surpluses and these funds can be used for maintenance and improvement of these offices. Remaining surpluses are to be turned over to the police jury only at end of the term of office of the incumbent.

If greater autonomy in fiscal matters is desired by local government, it is suggested that local citizens assume greater financial responsibility for roads, schools, and public welfare. These are the three areas requiring most outside aid.

State assistance for roads can be justified on the grounds that highways provide means of communication and trade for nonresidents of the parish as well as for residents. Likewise, schools provide a means for educating young people who will eventually associate and compete with workers trained in other areas.

State and federal aid for welfare purposes is much more difficult



to justify. Local communities would be in a better position to evaluate personal needs of the indigent, aged, and infirm, and should assume responsibility for their welfare, in the event that family or relatives neglect to do so.

Some suggested procedures for increasing local financial responsibility are:

1. Bring assessment values of property more in line with true market values, assuming that other parishes will do likewise.
2. Make certain that all taxable property is on the assessment rolls.
3. Look more critically at certain tax exemptions.
4. Consider use of a locally administered sales tax in lieu of the state sales tax.
5. Reduce the high cost of tax collections.
6. Use the parish treasurer for central control of parish funds instead of maintaining separate control of funds by each agency of parish government.
7. More efficient use of space and labor can be realized through microfilming and machine records in the offices of assessor and clerk of court.